Business India

magazine of the corporate world | August 20 to September 2, 1990 | Rs. 7

THE INDIAN FARMER

Does he need a Devi Lal?



INSIDE

India's lowered credit ratin

Kuwait crisis and us

SING ALL THE WAY TO SINGAPORE.



You'll sing praises of Air Canada.
Our seats are more comfortable.
Our cuisine, sumptuous.
Our inflight entertainment, unbeatable.
Our hospitality, genuine.
Come, fly Air Canada to Singapore.

You are bound to give us an encore.

Contact your Travel Agent or Air Canada.

Bombay - Singapore.
4 times a week.

A BREATH OF FRESH AIR

Air Canada

Air Canada Bombay 202-1111 ✱ GSA Ahmedabad 46-8545 ✱ Bangalore 23-9475 ✱ Calcutta 44-7783 ✱ Calicut 65757 ✱ Cochin 35-4193 ✱ Faridabad 812-6475 ✱ Goa 3338 ✱ Hyderaba
23-0697 ✱ Jaipur 77202 ✱ Jullundur 2488 ✱ Kanpur 21-2787 ✱ Madras 825-0884 ✱ Mangalore 32256 ✱ New Delhi 332-5876 ✱ Pune 66-7063 ✱ Tellicherry 22899 ✱ Trivandrum 6800

Rediffusion/AC/90/13

CONTENTS

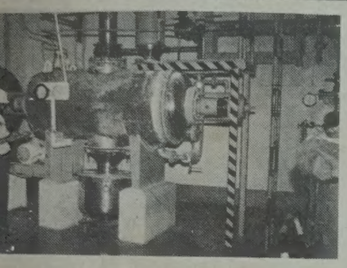
August 20–September 2, 1990

325 AUG 1990
C. P. T. R. I., MYSORE



COVER FEATURE

54 The Indian farmer: does he need a Devi Lal?
A closer look at Devi Lal's demands on behalf of the *kisan* reveals that if conceded, they will benefit the rich farmer more than the marginal farmers and landless labourers who constitute the huge majority of the rural poor



CORPORATE REPORTS

68 HINDUSTAN CIBA-GEIGY
Waking up
After years of lassitude, the company has worked out a plan of action for growth and diversification, and is now poised to make new inroads into the market



72 TI CYCLES
Stealing a march
Revamping of internal strategies and quick decisions taken during the eighties have ensured a good export market for this bicycle manufacturer

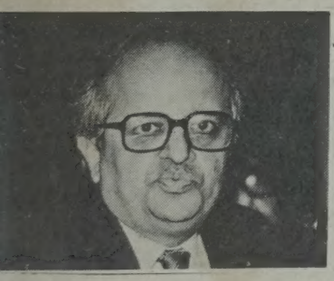


77 EXCEL INDUSTRIES
Performance worth the name
With its home-grown technology, this company has managed to carve a niche for itself in the area of industrial and agro chemicals, and its export efforts have also paid dividends



FOCUS

80 Kuwait crisis: engulfing India
Though remittances have flooded into the country in the last fortnight, the earnings of NRIs are likely to decline in the long term



SPECIAL REPORT

89 Needless panic
While the downgrading of India's credit rating abroad has evoked alarmed comment, the reality is far from the disaster it has been made out to be

35 BUSINESS NOTES
The HDPE woven sacks industry is riding piggy-back on cement, but its fate is precariously balanced

Women entrepreneurs in Maharashtra are doing well, and their association is pressing for more facilities from the government

The newest marketing niche for glossy magazines has been formed in the glamorous world of high fashion

GIIC has launched a venture capital finance scheme in keeping with its high risk financing ethos

45 FOLLOW-UP
The environmentalists have won their battle to prevent the storage of hazardous chemicals in Bombay's densely populated Antop Hill area, but it is a hollow victory

85 INDUSTRY REPORT
An upswing in the fortunes of end-user industries has helped resuscitate the caustic soda industry, but there is a danger of a glut as production outstrips demand

95 ADVERTISING
Account planning is a function that has evolved to protect the 'important' from the 'urgent'

118 ENTERPRISE
After a troubled decade in the seventies, the Dawoodanis have steered Lime Chemicals to success and also diversified into various related fields

200 INTERVIEW
Janeshwar Mishra, minister of state for communications

95 Advertising
161 Books
35 Business Notes
30 Businessmen in the News
51 Centre
112 Computers
134 Corporate Monitor
68 Corporate Reports
54 Cover Feature
148 Deposits
47 Economic Indices
49 Economic Outlook
10 Editorials
118 Enterprise
163 Executive Ladder
107 Finance
80 Focus
45 Follow-up
14 For Your Information
65 Government
85 Industry Report
124 International
200 Interview
151 Investor Contest
156 Jobwatch
105 Labour
3 Letter from the Publisher
7 Letters to the Editor
16 Listening Post
111 Management
141 Market News
102 Marketing
142 New Issues
21 News and Events
155 People
153 Professional Profile
164 Reader Service
129 Real Estate
89 Special Report
146 Stockmarkets
123 Technology

Published by Ashok H. Advani for BUSINESS INDIA, Wadia Building, 17/19 Dalal Street, Bombay 400 001 and printed by him at the Tata Press Limited, Bombay 400 025 and BUSINESS INDIA, care Usha Offset Printers Pvt. Ltd., 125 Govt. Industrial Estate, Kandivli (West), Bombay 400 067. Phototypeset by Business India Photosetters.



Give your next conference a breath of fresh air.

Get away from the run-of-the-mill boardroom.

Arrive at the cool, misty heights of Sahyadri hills.

Five hours from Bombay, on the road to Goa.

Here, right above a breathtaking valley with a winding river, we've built a conference room.

We've given it picture windows. Air conditioning. Spacious lawns. A restaurant next door. And even a greenhouse down the path.

Some of the most productive hours of an organisation can be spent here.

Whether it's an informal workshop. A strait-laced seminar. Or a high-power meeting.

You'll find people interacting better.

Ideas flowing faster.

When you're not brainstorming, your group can trek up to the ruins of Shivaji's fort. Trek down to the river to go boating. Or go picnicking to the silvery stretch of Guhagad beach.

The Gateway Riverview Lodge has been thoughtfully designed right down to the last detail.

Every room overlooks the valley. And has wardrobes, a writing table, bedside reading lamps and 24 hour hot water in the attached bath.

So pack your organisation off for a working holiday. Refreshingly.

How to get there: The Gateway Riverview Lodge is 260 kilometres from Bombay on the Bombay-Goa road. You can get there by car or by any coach that goes via Chiplun.

Special conferencing offer valid up to 30th Sept '90 Rs. 450/- per person including accomodation and meals.

Gateway
RIVERVIEW LODGE
CHIPLUN

For more information contact :
202 3366 Ext -3147
Telex: 118-3791 TAJB IN
Fax: (022) 287 2711

Gateway Hotels & Getaway Resorts

Trikaya Grey GH.8.89 REV

Business India

Publisher	Ashok H. Advani
Associate Publisher	Malvika Singh
Assistant Editors	Naazneen Karmali, Basudev Dass (Bom.) Sushila Ravindranath (Madras) N. Radhakrishnan, Eapen Thomas (Bom.)
Senior Correspondents	Dilip Maitra, Sekhar Seshan (Bombay)
Correspondents	K. G. Kumar (Trivandrum) Dharani K. Pani (Madras) Teesta Setalvad (Bombay) Devaprasad Purokayastha (Bangalore) Raju Bist (Bombay) Sumit Ghoshal (Bombay) Rahul Sharma (Bombay) Alpana Killawala (Bombay) Roop Karnani (Pune)
Staff Writers	Madhumita Bose (Calcutta) Shekhar Ghosh (Bombay) Gayatri Bhandarkar (Calcutta) Lancelot Joseph (Bombay) Arif Sharif (Delhi)
Chief Sub-editor	F. S. Pinto
Senior Sub-editor	Tushar K. Das
Sub-editors	Jayakumar Menon, L. Fernandes Kausalya Vijapurkar
Documentation Head	Anjum Rajabali
Photographers	Pankaj Desai, Ravi Patil (Bombay) Sajal Bose (Calcutta)
Executive Director	Atul Deshmukh
Marketing Director	Pheroza Bilimoria 2024422/2024424
Advertising Manager	Roopina Nicholson 2041974/2253
Asst. Advt. Manager	Ferzine Esmail (Bombay) 2041974
Sr. Advt. Executives	P. L. Baluja (Calcutta) 448455 Minal Jagtiani (Hyderabad)
Advt. Executives	Shenaz Rangwala (Bombay) 2041974/2042253 Prabha Nair, Archana Pillai, Ritu Krishna (Delhi) 312485 Sumati Bedi, N. Pankaja (Madras) 474964/860714 Purnima Shah (Bangalore) 265149
Subscription Manager	Anita Mehta 274161
Asst. Circulation Mgr.	S. Ravi N. Iyer (Bombay) 274161
Regional Sales Representatives	Monisha Mehra (Delhi) 312485 S.S. Kannan (Madras) 474964/860714 Minal Jagtiani (Hyderabad) Purnima Shah (Bangalore) 265149
Design	Trilokesh Mukherjee
Asst. Art Director	Paulomi Shah Madhvani
Design Team	Raphael Fonseca, Bertie D'Souza, Mukesh Pandya, Andrew Gonsalves
Production Manager	Henry Serrao
Distribution	India Book House Pvt Ltd
Registered Office	Wadia Building, 17/19 Dalal Street, Fort, Bombay 400 001. Tel: 274161/271558
Editorial, Marketing, Advertising & Administration Office	Nirmal, 18th floor. Nariman Point, Bombay 400 021 Tel: 204 6236/202 4422/202 4424 Telex: 011 83557 BZIN IN
Delhi Office	59, Regal Building, Connaught Circus, New Delhi 110 001 Tel: 312485 Telex: 031-61359 NFW IN
Madras Office	Flat No 4-A JP Tower, 4th Floor 7/2 Nungambakkam High Road Madras 600 034. Tel: 474964/860714 Telex: 041 7118 BZIN IN
Calcutta Office	Krishna Villa, 100 Park Street, Calcutta 700 017. Tel: 448455

Subscription rates

INDIA: ANNUAL SUBSCRIPTION Rs. 145

Plus Rs. 5 for cheques not drawn on a Bombay bank.

OVERSEAS (One year only)

Airmail only to Pakistan, Bangladesh, Sri Lanka, Afghanistan and Burma Rs. 750 or US$58, Middle East, Asia, Europe, Africa & Australia Rs. 1,360 or US$105. North and South America Rs. 1,425 or US$110.

Cheques to be drawn in favour of ***Business India.***

Rates include airmail charges.

Unsolicited manuscripts cannot be returned unless accompanied by postage.

LETTER FROM THE PUBLISHER

Quite contrary to what Devi Lal believes, the issue is not farm versus city.

However, the Devi Lals are quite right when they point out that there has been inadequate investment in the rural areas. But that is only half the picture. Looking at our overcrowded cities, where the basic civic services are overburdened and on the verge of breakdown, it is equally true to say that there is totally inadequate investment in the infrastructure of our cities too (Delhi, which is specially treated, is of course the exception to the rule!). Enough has also been written about inefficient and outdated Indian industry which requires to be modernised and overhauled before it can be competitive internationally. Modern Indian society just cannot afford to ignore either.

Of course, on the surface there is a seeming conflict between urban and rural areas. Urban consumers want food at low prices. And the farmers, not surprisingly, want as high a price as is possible.

But history and worldwide experience have shown that with modern technology and scientific methods, there can be a revolution in agricultural output. But this is possible only if two other critical conditions are satisfied. First, there must be a minimum price and guaranteed offtake for the increased produce. Second, there must be a strong infrastructure of irrigation, power and fertilisers. Also, there must be speedy transport facilities to carry the produce to the consuming centres.

The Devi Lals place most of their emphasis on a low support price, which certainly makes agriculture an unattractive business. This affects primarily the richer farmers who have a surplus they can market. And by couching the rhetoric in rural versus urban, they claim to speak for the entire rural populace. But the Devi Lals scarcely represent the real rural poor — small marginal farmers and the landless. Neither market forces (nor political parties) provide a safety net for this bottom third of the population.

Business India has long argued that all government's managerial and financial resources ought to be directed towards uplifting this huge section of the population. This is much more important than investing in heavy industry or services in the public sector, which only drain away national saving. Unfortunately, in spite of all the socialist slogans from the major political parties, the truth is that the rural poor are treated as vote banks delivered by the richer landholders.

History has also shown us that modern agriculture just cannot support such a large proportion of the population. There is no alternative to non-farming activities. But our rural areas are without adequate power, water, sewage and communication facilities. Moreover, even basic health, educational and recreational facilities are sorely lacking. Is it then surprising that the rural poor prefer the squalid lives in our bigger cities?

As a nation, how long can we ignore these basic issues?

Ashok H. Advani

NOW EVERYTHING ELSE IS HISTORY

The Godrej 900 Series. Absolutely the last word in printer technology. Never before have you had so many functions and facilities. Packed into a sleek, yet rugged frame.

LIGHT AND COMPACT DESIGN

A smaller footprint. The smallest width of all 132 column printers. Engineered for heavy duty. Yet light by design. You can even carry it to a service centre for on-the-spot attention.

QUICK, CONVENIENT OPERATION

The maximum number of functions ever located on the front panel. Over 25 on the top-line models. Including important functions normally found only on DIP switches.

Plus key diagnostic features available on-line. For the first time in India. And DIP switches and interfaces on the side just next to your right hand.

VERSATILE, EASY PAPER HANDLING

Paper handling is child's play with

E L E C T R O N I C B U S I N E

Godrej & Boyce Mfg. Co. Ltd., Marketing Dept., Plant 16, Pirojshanagar, Vikhroli, Bombay 400 079. Tel: 589241/51/61/71. Tlx: 011-71502 GOVK.
BRANCH OFFICES: BOMBAY (NORTH) Tel: 588451-58 • **Bombay (South)** Tel: 2048371 • **Bombay (Mofussil)** Tel: 589289 • **Ahmedabad** Tel: 831545 • **Bhopal** Tel: 554076/77/78 • **Indore** Tel: 21162/63 • **Jabalpur** Tel: 27321 • **Pune** Tel: 668968/69 • **Rajkot** Tel: 24919 • **DELHI** Tel: 6845002/07

the 900 Series. You have every facility. Better friction feed. Push/pull tractor assembly. Paper Park. Auto Paper Load. And even an Auto Cut Sheet feeder as an option.

QUIETER PERFORMANCE, MUSICAL CUES

40% quieter than earlier generation printers. And the Quiet Mode is even quieter.

More, the 900 Series uses musical notes to alert you to key operating factors. Not harsh, rude beeps like the others emit.

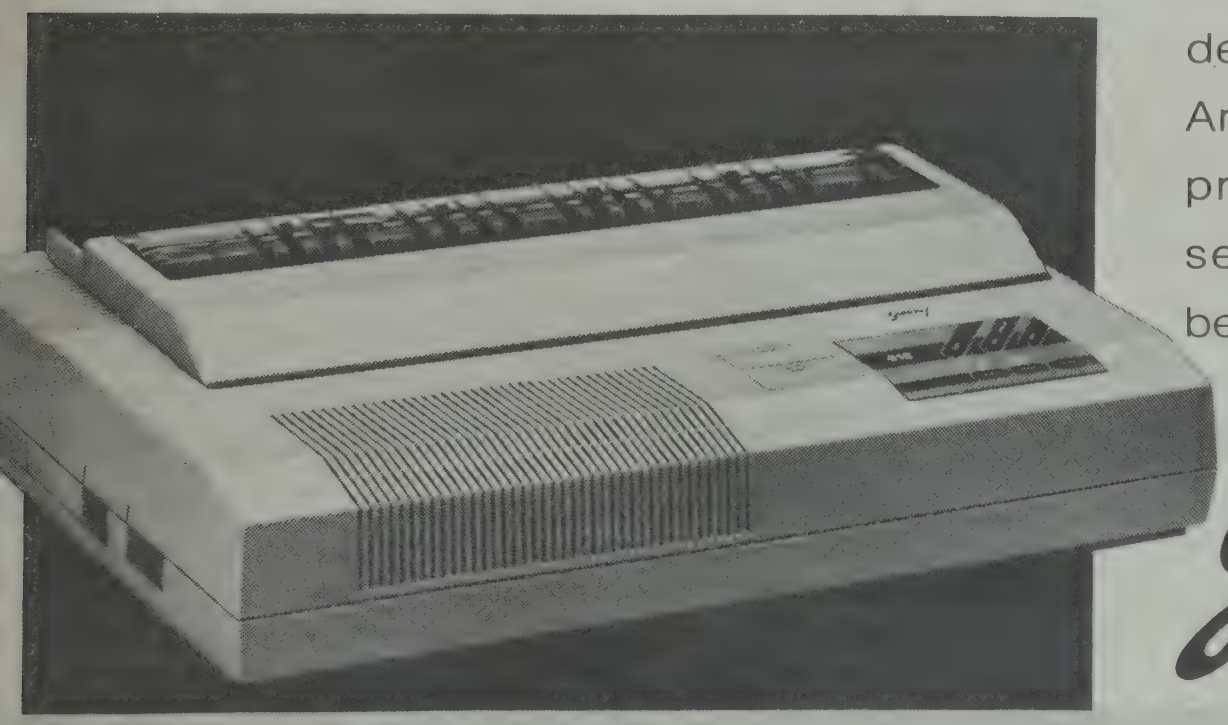
RUGGED, RELIABLE ENGINEERING

One of the finest printheads ever offered in India. With a life of 200 million characters – or over 500 million strokes.

EASY SERVICEABILITY, WIDEST SERVICE CENTRE NETWORK

The 900 Series is designed for rapid servicing. And Godrej has a nationwide service centre network. So you are assured of minimum down time.

The Godrej 900 Series Dot Matrix Printers. Ask for a demonstration today. And see why Godrej printers make better sense than ever before.



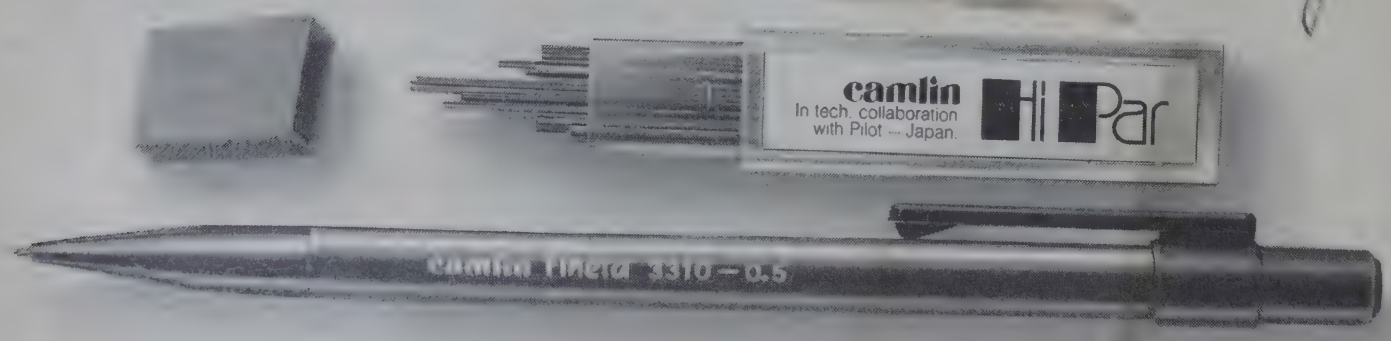
ULKA-13377

Godrej 900 SERIES®

S S EQUIPMENT EBE

• **Chandigarh** Tel: 44328 • **Faridabad** Tel: 24477 7• **Jaipur** Tel: 62182 • **Kanpur** Tel: 210135 • **Lucknow** Tel: 248963 • **CALCUTTA** Tel: 200961-66
• **Bhubaneswar** Tel: 406544/405082 • **Guwahati** Tel: 33172 • **Patna** Tel: 225380/225886 • **Jamshedpur** Tel: 28803 • **BANGALORE** Tel: 575902 577036
• **MADRAS** Tel: 479695/477615 • **Cochin** Tel: 366284/354815 • **Hyderabad** Tel: 230875 • **Trivandrum** Tel: 78104 • **Visakhapatnam** Tel: 61178 64259

And that's when I realised that
Camlin leads have another solid advantage.



firsthand account of Camlin Hi Par performance from Mr. D.V. Desai, Chartered Accountant

statement of account full of smudges and ink blobs. "I solved this problem by switching to Camlin Hi Par," he said
ing to
button pencil. "No smudges, no breaks, no sharpening... that sums it up!"

Camlin Hi Par 0.5 mm leads in technical collaboration with Pilot, Japan.



Serious error

ne opening sentence of your over Feature on the Amgamations group (23 July) as a serious error. President R. enkataraman was never an mployee of Simpsons. He was ne president of the Simpson & roup Companies Workers and taff Unions.

KRISHNAMOORTHY
ce-chairman
malgamations Limited
adras

he error is regretted - **Ed.**

K.S. Sundaram and N. Venataramani are mentioned as ons-in-law of A. Sivasailam, hairman of Amalgamations. I ish to bring to your notice that ey are sons-in-law of Antharamakrishnan and hence ey are A. Sivasailam's rothers-in-law.

MAHALINGAM
ddisons Paints & Chemicals Limited
adras

Though it was quite interesg to read Sushila Ravdranath's article on our roup, the Amalgamations roup, there are a few points at I would like to clarify.

It has been mentioned that ne "third generation" consists nly of two daughters of A. vasailam, namely Mallika Srivasan and Jayshree Venataraman. But the fact is that y late maternal grandfather, ho was solely responsible for ne founding of the group, died testate, whereafter his entire 100 per cent holding in Amalgamations Ltd passed on equally to five legal heirs, of which my mother is one.

Though A. Krishnamoorthy does not have any children, the other two living legal heirs, who have an equal right (a fact conspicuously omitted in your cover story), namely my mother and Venkatramani, have two children each, all of whom have an equal right to be called members of the next generation. I wish this point was mentioned instead of erroneously highlighting the two daughters of our group chairman. Things could have been presented in a better fashion, if only a family tree was shown (as is normally done in such cases).

There are a few other points which are totally wrong. President R. Venkataraman, was never an employee of the group. Though he began his life as an advocate, he was, for a considerable time, the head of Simpson's Group Employees' Union during the early part of his life. Also my father, K.S. Sundaram, and Venkatramani are not sons-in-law of Sivasailam, but his brothers-in-law.

SHANKAR SUNDARAM
Madras

• In your Cover Feature on the Amalgamation group, no pains seem to have been taken to verify the position of the group companies in the market or the reason behind their stagnation.

K.S. Sundaram of Addisons Paints has stated that working capital is his problem, but actually the problem lies in the lack of production and finance planning. Addisons manufactures one colour continuously, thus large amounts are blocked in dead inventories. Otherwise, they can effectively compete with Asian Paints as Addisons paints have always been a premium product.

J. THARAKAN
Ernakulam

• I read with interest your Cover Feature on the Amalgamations group. I had joined this group when their founder chairman "J" was alive, and led the group companies from strength to strength. The coverage by Sushila Ravindranath on the progress made by this group and their present status, highlights the facts. I enjoyed reading this article.

K. MADHAVAN
Baroda

• Your Cover Feature on the Amalgamations group made interesting reading. It had a few lessons for present day industrialists who are over-ambitious, fast paced and short sighted, and whose primary aim is to make a fast buck.

The southern giant has adopted a distinct business philosophy — though conservative, it has kept abreast of the changing business environment and has manufactured only those products keeping the consumer's needs in mind.

The article had driven home the message that conservatism is not all that bad. But does that mean that neo-conservatism is the secret of success in the present industrial scenario?

RAMESH BALAKRISHNAN
Bangalore

• Congratulations on a fair, objective and noteworthy Cover Feature on Amalgamations. As one associated with the founder of the group since 1948 and as a colleague of the two brothers till 1984, I take the liberty to point out that this remarkable group owes its success, as is emphasised, to its latent conservative management and planned self-generated financing.

However, change is inevitable and necessary. Fortunately the youngsters are enthusiastic, loyal, educated and have talent. Furthermore, they enjoy the support of the brothers who are the two pillars of the group.

K.P. RAMSAMI
Madras

• **Of investor interest**

A good monsoon and the right policy decisions by the government to arrest unemployment, poverty, scarcity conditions, etc will set our economy on the path of progress. Only then can our share market be really stable.

NITIN B. HOSKOTE
Bombay

• **Revival of Standard Motors**

Much has been written and debated about the revival of the ailing Standard Motors at Madras. Now the Tamil Nadu government has come forward to grant a soft loan of Rs.3 crore along with the other package of remedies suggested by the BIFR.

One sure way of reviving this unit, as I see it, is to persuade Ashok Leyland, the auto giant, to take over the unit and manufacture the passenger car which they have been planning but for which they have no clearance.

P.N. VISWANATHAN
Madras

• **Missed, surprisingly**

The 23 July issue carried an article by Rahul Sharma about industrial growth in Bhiwadi, Alwar (Rajasthan). I am surprised that no mention is made of Parasrampuria Synthetics Ltd. According to the writeup, Bhiwadi contributes Rs.50 crore towards central excise. This amount is contributed by Parasrampuria Synthetics alone. Moreover, mention is made of another Rs.52 crore as being invested in Bhiwadi, whereas the present expansion and diversification programme of Parasrampuria Synthetics itself is estimated to cost more than Rs.52 crore.

Y.P. SHARMA
Dy general manager (works)
Parasrampuria Synthetics Ltd
Bhiwadi, Rajasthan

• **Hiking bank charges**

It is reliably understood that nationalised banks are contemplating increasing the already high bank charges and levying book-keeping and stationery charges towards maintaining accounts and issuing cheque books.

As a result, many companies

are turning to private firms, who offer competitive rates compared to those charged by banks. Large firms float commercial papers when they need large working capital, rather than patronise banks. Many find it cheaper to send cash home by courier rather than by money order. This ensures an acknowledgement promptly in two days.

The reason why the *angadia* service carrying letters/parcels etc is popular and the mushrooming courier service thrives is because of postal inefficiency.

P.N. VISWANATHAN
Madras

• What next?

There was a time when banks charged incidental expenses at the half yearly closing. Then came the folio charges per ledger sheet used. And now comes a charge per cheque issued!

RAHUL DESAI
Ahmedabad

• Unwarranted

In the item "Enthusiasm wanes" (Centre, 9 July), it is stated, "and now even industry associations like CEI are coming out openly against the new industrial policy."

The Confederation of Engineering Industries (CEI) is on record as having welcomed the new industrial policy. CEI has consistently supported and often initiated liberalisation, deregulation and decontrol. The comment is therefore unwarranted.

TARUN DAS
Director general, CEI
New Delhi

• Ban on CFC

As rightly pointed out by Ravi Sinha of Shri Ram Fibres Ltd (Business Notes, 23 July) the per capita consumption of CFC in India is a mere 0.003 kg per annum vis-a-vis 1.7 kg in the US. In other words, whatever the quantum of pollution generated in the atmosphere by the US, India might take thousands of years to generate a similar volume of pollution. In such a situation, my question is, why should Maneka Gandhi recommend to the Union cabinet a ratification of the Montreal protocol?

MAHESH S. SHAH
Bombay

• Realistic picture

This refers to Business Notes (25 June). The writer has depicted a realistic picture of the state of tobacco exports. The ITA president, P.S.H. Prasada Rao, has rightly assessed that the smoking habit in the international context is not on the wane.

As for the tobacco board, it has failed miserably to look after the interests of growers, traders and exporters. The board only collects statistics from various parties registered with them and passes it on to the ministry of commerce.

J.P. SHRIWASTAV
Jabalpur

• Be liberal

Why is the new industrial policy debated so much? Liberalisation is the need of the hour and that is what the new policy is about. Socialism for its part has ensured that India remains one of the poorest nations. Some politicians want people to believe that multinational companies (MNCs) will destroy the nation. They are said to meddle in national politics and other administrative affairs. But, these are already resorted to by native industrialists. What then is the difference?

KAMAL KHANDELWAL
Bangalore

• Trading blues

Your news item regarding Haryana's experiment (News & Events, 11 June) was relevant. The government has never considered the traders point of view. Rise in prices is always attributed to the trader. In reality however traders are the ones who suffer. For Business to grow and function smoothly, the taxation system should be revised and government support should be extended to traders.

RAJIV JAIN
Siliguri

• Just in time

Your editorial on the ag cultural policy was timely a sensible in the light of deteri rating agricultural output a the government's policy of f vouring the industrial secto What the agricultural sect needs is not mere extension subsidies, but a widespread a speedy implementation of infr structural facilities suitable f its growth. The right decisio not taken at the right time m lead to imports of even basic n cessities like food grains, pulse etc in the long run.

B. RAMESH
Bangalore

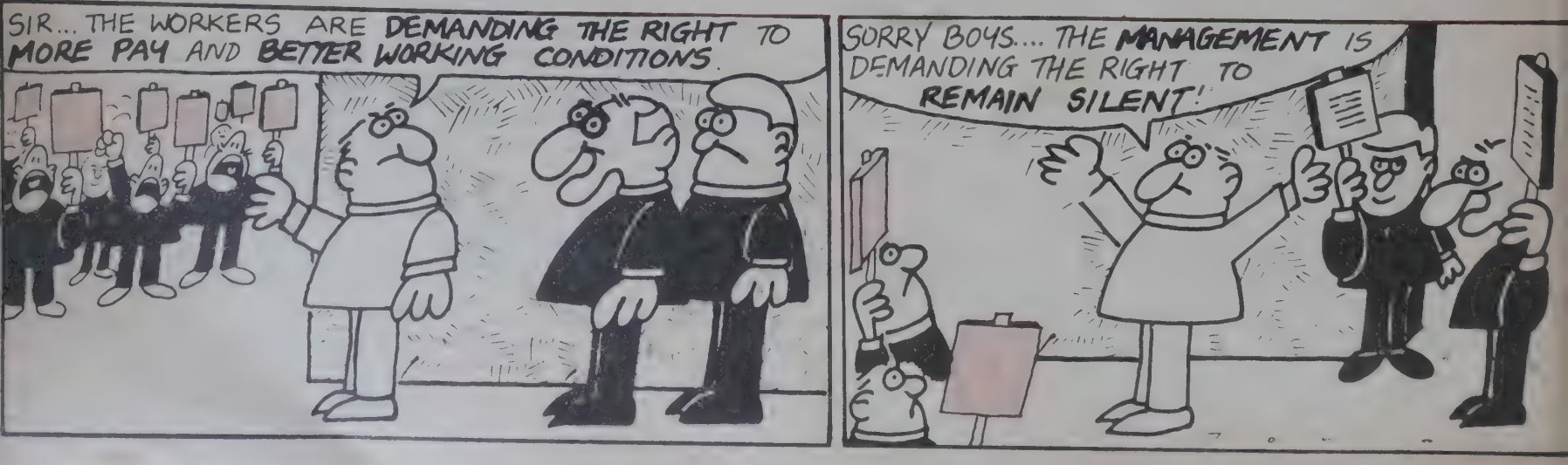
• Erratum

In the interview column of o issue dated 6 August 1990, S. Dave, chairman of UTI wa quoted as saying that the br kerage on government secur ties offered by UTI earlier wa 0.10 per cent. This should rea 0.50 per cent. The sentenc reading "The average inves ment in Unit Scheme 1964, i cluding corporate investmen is only Rs.10,000", should rea "..., excluding corporate inves ment,...". Also, Dave had sai "Over the next five years, I ex pect we can raise abou Rs.50,000 crore from the mar ket...", and not Rs.15,000 cror as reported.

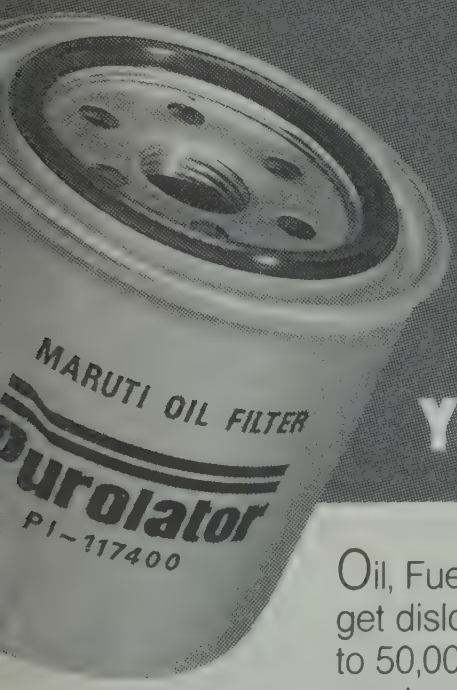
The error is regretted — **Ed**

LIKE FATHER, UNLIKE SON

by Jara



FORGET IT



ONLY IF YOU CAN FORGET THAT THE LIFE OF YOUR CAR ENGINE WILL REDUCE TO 33%

Oil, Fuel and Air filters can decide the fate of your car engine. If they are inefficient, you will get dislocated valves, damaged piston rings, ruined cylinder walls and engine life reduced to 50,000 km. instead of the optimum 1,50,000 km. And a repair bill of Rs. 7000 on each overhaul.

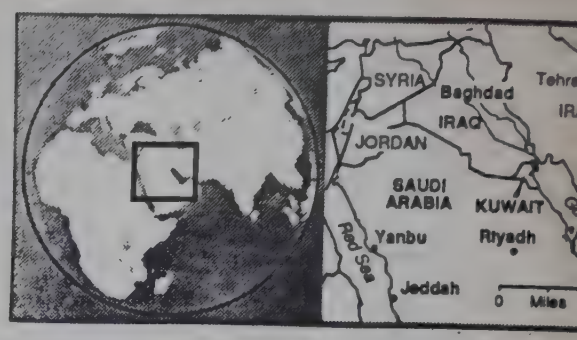
If they work — the way Purolator does — you will get peak engine performance, excellent trouble-free running and low maintenance bills.

So, go ahead, insist on Purolator.
The filters your mechanic would highly recommend.

Purolator
THE WORLD'S BEST SELLING FILTERS

ember of the ANAND group of companies.

The oil crisis and India



The situation in the Middle East is alarming and poses a threat to Arabs as well as to the millions of migrant workers that the high oil surpluses of the region and the relatively unskilled native population have created a demand for, over the past two decades.

More than a million Indians live in the Middle East. Even their returning home, and doing so safely, will incur a significant relocation cost when it happens. Further, they have hitherto represented a valuable 'non-depreciating' dollar-proof asset whose annual remittances of Rs.6,000 crore in foreign exchange have more than fully paid for the country's oil import bill each year.

The country now faces a new economic risk: as the dollar firms up versus other currencies and the oil price rises, the cost of oil in rupees could rise by 30 per cent to Rs.8,000 crore in a year. However, since this will happen only if the Gulf crisis continues beyond December and there is a shortfall in oil supplies, the higher cost will be more than offset by a short-term rise in remittances from panicky Indian citizens overseas. This is because such remittances have been only a part of the non-residents' disposable surpluses.

A continuing crisis will reduce employment opportunities in the Gulf and result in an accelerated remittance of accumulated capital. This is already happening and suggests, somewhat cynically, that the panic of Indians in the Gulf means that there is no need to panic about foreign exchange. True, paying for oil with remittances merely converts a current liability into a future liability but it is — given that non-residents in the Gulf ultimately return to India — a rupee liability which the country can easily absorb since even a Rs.2,000 crore rise in domestic liabilities is less than a per cent of the gross product.

However, in the long term, the Indian growth rate will decline if falling oil output both raises the price of oil and reduces employment opportunities for Indians abroad. In 1 a rise in oil prices had sent the country into a prolonged re sion. This time around, the same is likely especially as earlier alternative of buying more Soviet oil in rupees is likely to be available.

A more likely scenario — given the need of oil produ countries to market ever larger quantities of oil to meet t expenses — is that the crisis will be sorted out. This does mean that oil prices will return to 14 dollars a barrel any t soon. The situation in the Middle East is now charged wi new uncertainty that is likely to be increasingly common v the end of the Cold War — that of unilateral military acti The price of oil will certainly include a risk-premium for t increased uncertainty. Even if this is partly offset by hig earnings by our citizens in the Gulf to compensate them their willingness to endure that increased uncertainty, a p centage point fall in economic growth is likely.

This is because a permanent outflow of an extra 2,000 crore per year would reduce the annual gross dom tic product (GDP) by Rs.3,000 crore (assuming an optin tic multiplier of 1.5) or 1 per cent of GDP. Since surplus of economic growth over population growth is c rently 3.5 per cent, a 1 per cent fall in GDP means a 30 cent fall in improvements in living standards.

Could India have done anything to reduce at least short-term payments problem? Critics have complain about the country's excessive reliance on spot purchases oil. This is an unfair criticism, given that the whole wo was taken aback by the annexation of Kuwait. That is w neither the spot nor forward markets for oil reflected advance what has happened to Kuwait. Given India's b ance of payments problems, spot purchases generally ma more sense. This time around, the country was simply u lucky.

Industry-state nexus in Tamil Nadu



The affairs of A.C. Muthiah, the vice chairman and president of the fertiliser giant SPIC, have focused attention on the peculiar nexus between the Tamil Nadu government and the industry. Never before had an industrialist scaled such heights in the state, nor has the drop been so swift. The reason for his spectacular growth was his closeness to the previous regime in the state and to the Centre; his fall, a retribution.

Although a state government has limited powers to grant licences or finance, it still controls the allocation of land, power and water. Through the pollution control act, the labour unions and the factory inspectorate it can be of tremendous nuisance value to the industry.

Industrial growth being the name of the game today, ever state chief minister worth his salt endeavours to promot industrial development in his home state. Even the marxist

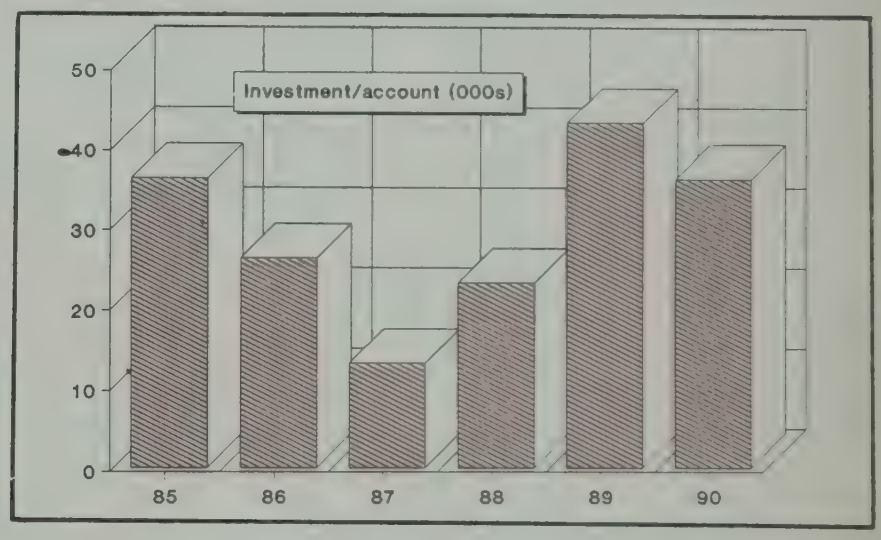
West Bengal are turning right. This impetus has generally curred via the promotion of new projects (offering cheap ance, good infrastructure, trained labour etc.) or, as in the se of Telco's labour trouble last year, in an occasional re-onse to extreme political pressures. What makes Tamil du different is the voluntary and intense involvement of M. runanidhi in every significant industrial dispute in the te. In the last year alone, he has been involved in the labour oblems of TVS, Simpsons, the Muthiah and Udayar groups d the financial affairs of the latter two (see Follow-up 6 and August).

Such an attitude can only bode ill for Tamil Nadu's indus-al development. Its industrialists who choose not to involve e state government fully in their labour and financial prob-ns will, in all likelihood, face a government that first takes abrage and then gets involved anyway. In either case, the tcome is a set of fragile labour settlements or joint financial management agreements which break down in the face of the slightest pressure, as recent events in TVS-Suzuki and SPIC have shown.

In a sense, Tamil Nadu has been unlucky. The earlier M.G. Ramachandran regime also meddled with industry, but had no real feel for the game. The only nexus that existed was, oddly, between MGR and the liquor barons who consequently turned into industrialists; while established industrialists who faced stiff local controls turned stodgy, labour trouble became endemic. In time, the unions cried for a messiah and Karunanidhi gladly stepped in. But his strategy of humbling private entrepreneurs ended in demoralising organisations.

Most of the industrialists in the state who perhaps initially enjoyed Muthiah's discomfiture today view the situation with dismay and worry about their place in the unlucky queue. But, given Karunanidhi's style and his connections at the Centre, industrial groups are doomed to forge state links that will rust.

'he Unit's trust



n he Unit Trust of India's six million account holders gave it 10 per cent of the country's financial savings in 1989-90. I hopes that the number of its accounts will be 10 million by 91 and has announced six new schemes since 1989 for aller urban investors. More controversially, it has recently luced the attractiveness of units under Unit Scheme 64 (its in scheme) to corporations by halving sales commissions, sing buy-sell spreads by one per cent and halving offer iods to a fortnight.

Given that corporate funds in US 64 (about half of the al) were attracted mainly by the liquidity and unique tax nefits of units rather than the return (a mere 10.6 per cent 1989-90) and given the increasing average size of each ount (see chart), does the new focus on smaller investors ke sense? Or will it cause US 64 to dwindle to nothing from e of the country's most successful investment schemes?

The poor public response to units in July suggests that UTI s not understood its problem. The real problem of US 64 ts is that they are generally viewed as money market secu-es rather than as capital market securities — sensitive to erest rate changes rather than to fundamental perfor-nce. Even though the fortunes of units are directly linked vents in capital markets (since the funds are largely in-ted in capital markets), the return to investors is nearly d, consisting almost entirely of a largely predictable divi-d. This makes a unit more like a debenture than a risk-ring security (in which most of the gain comes from capi-appreciation). The UTI itself has fostered this view. For mple, the net asset value of US 64 units has never been ealed (although S.A. Dave has promised that this will soon announced publicly).

This did not matter much when interest rates were controlled. But with deregulation of call money rates in 1988, liquid, fixed income, fixed-price instruments like units have been subject to heavy speculation, in demand when interest rates fall, and sold when interest rates rise. UTI's new measures merely make it costlier to speculate without reducing the vulnerability of units to changes in interest rates. If, for example, call money rates again rise to 35 per cent next March, the advantage of selling units will once more exceed the cost of doing so and speculation will reign.

A more sensible approach would be to ensure liquidity and tax-breaks, while relying on good investment management to provide returns. Hence, the solution for UTI would be first to reduce buy-sell spreads from the current 5.5 per cent to 1 per cent. This would ensure liquidity. Second, units should be de-linked from events in the money market by following the international practice of selling and repurchasing units at the net asset value of the day. This would link demand for and the price volatility of units to their fundamental performance and not to events in money markets. Good performance and the daily announcement of net asset value will ensure that speculation — normally linked to "prospects" — is limited.

UTI is right to refocus on the smaller investor. However, in the current environment, it will need to do more for success than deterring the large investor.



Now a telephone that lets you call people by their names, not numbers.

Imagine a phone that allow you to forget the number of th party you are calling. Just key the name or the initials and lo call is made. Take a look at th Natelco ONYX Alphanumeric 2-line directory phone. The super-smart phone that stores 200 frequently called phone numbers along with the name the party. And that's not all, it also offer you facilities like ha free operation, conferencing, digital clock display, call timer auto redial, etc. You'll find tha Natelco has captured your imagination and turned it into reality. And the ONYX Alphanumeric is just one of the telephones from the Natelco range of futuristic and feature-packed phones that co in different models and sizes to suit every requirement and poc

NATIONAL TELECOM OF INDIA LTD. ● F-16/17, Commerce Centre, Tardeo Road, BOMBAY-400 034. Tel: 4938080, 4948868, 4948884, 4947951/52. Telex: 11-76180 (9122) 4930588 ● 41/14, Swaroop Complex, Karve Road, PUNE- 411 004. Tel: 332074/1352. Telex: 145679 ● Sommerset, B-203 Opp. Vijaya Bank M G R BANGALORE-560 001. Tel: 568128 ● 405, Ashoka Estate, 24, Barakhamba Road, NEW DELHI-110 001. Tel: 3310299, 3315099. Telex: 03162795.

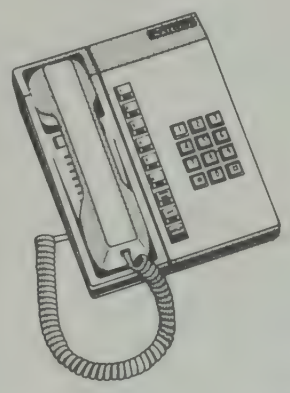
co 90's EPABX System

look at the features of any System available in India. ke a look at the Natelco s features. The difference is n fact the Natelco EPABX is anced that it can actually your Telephone Operator dle twice the number of And a simple 1-step on encourages all users to sophisticated features of tem, without having to ber a list of numerical Natelco can even give you guration that's just right for owever small or large.



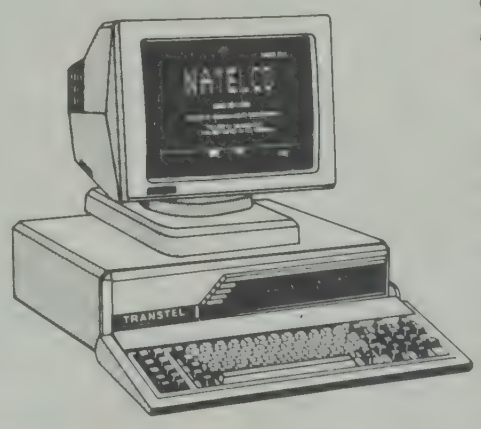
Natelco Electronic Key Phone System

Natelco breaks the myth that key phone systems are inflexible! Presenting M616 — A sophisticated and feature-packed phone system that combines the expandability of an EPABX with the convenience of a key phone system. All you have to do is add snap-in cartridges to the Central Unit and plug in the additional phones and the M616 expands to suit your new requirements. M616 also offers you for the first time unique features like Barge-in, Travelling Class of Service and Optional Battery Backup.



Natelco Computerised Telex

Kill two birds with one stone! A telex machine that's also a word processor!! Yet so user-friendly that it hardly requires any operator training. On-screen help to guide new users, single key access to most functions, a quick reference guide that fits neatly on to the key board together with short code didling for 100 frequently used telex numbers and networking capacity make the Natelco computerised telex unbeatable. What's more, the Natelco telex is available in 4 basic models with the option of adding two drives.



Technology: The Secret Of Better Performance.

What makes the Natelco Communication System so much superior to other similar systems available in India? It's today's technology. Take for instance the Natelco EPABX. It incorporates the very latest C-MOS, VLSI technology and is designed to offer total reliability and high MTBF.

Proved 500 Times Over

The efficiency and reliability of the Natelco range of communication systems can be easily gauged by the fact that in just a span of one year, it has over 500 installations in leading organisations. Would you install an outdated communication system in your state-of-the-art office, now that you have a choice?

NATELCO

TOTAL COMMUNICATION SYSTEMS

chnology so advanced it's so simple to use.

ed Dealers: • **Bombay:** Avhan Enterprises - Tel: 4301195. Cygnet Enterprises - Tel: 500067, 2864033. Lynx Systems & Services - Tel: 353239, 364234. Petco 2638, 6404741. Sigma Communications Pvt. Ltd. • **Ahmedabad:** Unique Communication Systems - Tel: 76061. • **Nagpur:** Midland Industrial Agencies - Tel: 40909 • **Pune:** ...ble Industries Tel: 53356, 54560 Dial A/M Computers Tel: 660006 • **Madras:** Concepts & Devices Tel: 865622 Global Fax Pvt Ltd Tel: 473084 Vijay Systems 992. • **Hyderabad:** H.P. Communication - Tel: 843147 • **Delhi:** Gurusons India - Tel: 5717222, 5719784. • **Calcutta:** Espee Enterprises - Tel: 453535, 455293, 453274

MADISON-NT-140R

Beetle battle

Strange as it may seem, the beautiful lilac flower of the water hyacinth is really a cloak behind which the dagger is hidden. This plant chokes all the life out of a water body, kills fish and deteriorates water quality. The only living organisms that thrive are mosquitoes.

Surveys indicate that this Brazilian plant is widespread in West Bengal and has rendered more than 15,000 hectares of land unfit for cultivation. During the monsoon, even paddy fields are infested.

Cichornea crassipus, as the biologists call it, hasn't spared Bihar, UP, Punjab, Haryana, Assam, Andhra Pradesh and Karnataka either. Its numbers rise prodigiously — it reproduces in less than ten days.



While international conferences debated methods to combat *Cichornea*, the problem was resolved on its native soil. In 1984, scientists discovered that the black beetle of Brazil kills the plant. The beetle feeds on the leaves, scrapes off the chlorophyll and thus destroys the weed.

While ecologists are worried that the beetle may add more items to its menu, "getting rid of the weed is the first priority", says a scientist from the Central Biological Control Station.

SHALINI SHARMA
Energy and Environment Group
New Delhi

We'll help you go

Labour problems plague many Indian organisations and retrenchments and golden handshakes are nothing new. But here is a company which has gone a step further.

An advertisement placed the *Financial Express*, on August 1990, by a multinational oil company states that it wishes to scal down operations in India. I lists several jobs — from technical assistants to driv — which have been render redundant. The company therefore wants to place these employees in other organisations and also vouches for their skills.

Is this the beginning of th kinder, gentler boot out?

N. SHANKAR
New Delhi

What's on the cards?

The stockmarket boom has created a boom for stock exchange memberships in the market. A membership which sold for Rs.1.5 lakh in 1984 was sold for Rs.44 lakh on 25 July 1990. The buyer of the new membership card is not known, but is likely to be one of the 200 active brokers on the BSE who needs additional cards in order to increase the number of scrips he can simultaneously speculate in. With turnover on the BSE crossing Rs.200 crore a day, an active broker can probably recover the current cost of the card in six months.

The first oil crisis

At the turn of this century, John D. Rockefeller's Standard Oil Company controlled two-thirds of the world's oil supplies.

In 1920, newspaper reports that the US would run out of oil by 1925 sparked off the world's first energy crisis. This eventually led to the formation of the world oil cartel between the seven sisters — British Petroleum, Standard Oil, Texaco, Exxon, Gulf, Mobil and Royal Dutch Shell. Until OPEC, this alliance controlled two-thirds of international oil supplies and all Middle Eastern oil.

Vernaculanthapuram

What's in a name? Plenty, if that name is Thiruvananthapuram, Kozhikode or Alapuzha. Exotic they may sound, but these syllable-crunchers stand for Trivandrum, Calicut and Alleppey!

In a fit of new-found passion for the vernacular, the Kerala government's committee on place names recently renamed several towns. The reason? To remove the discrepancy between the Malayalam and English pronunciations. So we have Cochin being abbreviated to a sneeze — Kochi.

Consultant peons!



We've all heard of how the designation of director has been misused. Now it's the turn of the 'consultant'. This all-purpose designation has become farcical in some companies.

In one recent example, an old peon, who was due to retire after 40 years of service, was reappointed, consultant, postal services. The idea was to cut costs. Encouraged by this success i innovative nomenclature, the same company reappointed another retiring peon as consultant, train booking services.

Business India invites readers to send original unpublished contribution to this page. The snippets can be humorous, insightful, outrageous or simply, informative. Each snippet must carry this coupon.

Rs. 50 paid for each published contribution.

Hear, hear

his is one record that India as all wrapped up. India is he second largest nanufacturer of pre-recorded udio cassettes — an stimated 130 million tapes a ear. But it's still a distant econd behind the US, which nakes 450 million a year!

China is third, with an nnual output of 110 million apes. But while India's audio ape market is worth $188 nillion, the Chinese market is vorth $550 million.

c.

Shoplifting tax!

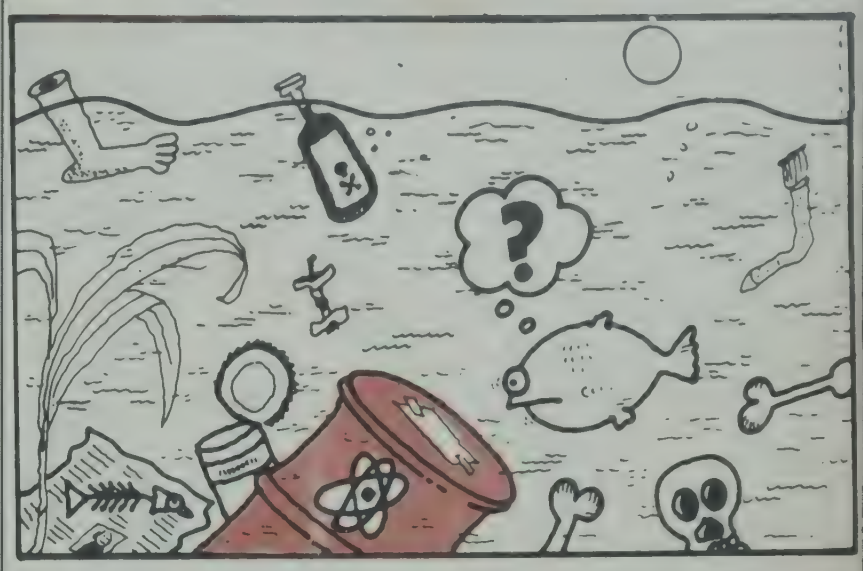
n the US, shoplifting is a usiness loss that stores end to provide for, and how! On an average, 3 per cent of he price tag denotes this expense' which is passed on o customers. Unfair? Consider this statistic: one ut of every 35 shoplifters are aught and, even then, have nly one chance in 1,200 of oing to jail.

A penny for their subscriptions

In the mid-fifties, lacklustre sales prompted *Readers' Digest* to devise a promotional scheme. A letter to potential readers contained the following quote: "An ancient Persian poet once said: If you have your last two pennies spend one for bread and the other to buy hyacinths for the soul." Accompanying this were two pennies and readers were asked to return one with their subscription.

Very soon, 100 million pennies disappeared from New York, much to the dismay of the mint. The Digest had to make immediate arrangements to ship 60 million pennies into New York from other parts of the country. Meanwhile the warehouse in which the pennies were stored collapsed under their weight. Despite these disasters, the scheme worked like a dream.

Seas sick



A national survey of pollution in the seas around India has revealed that industrial effluents are despoiling the coast at a number of locations.

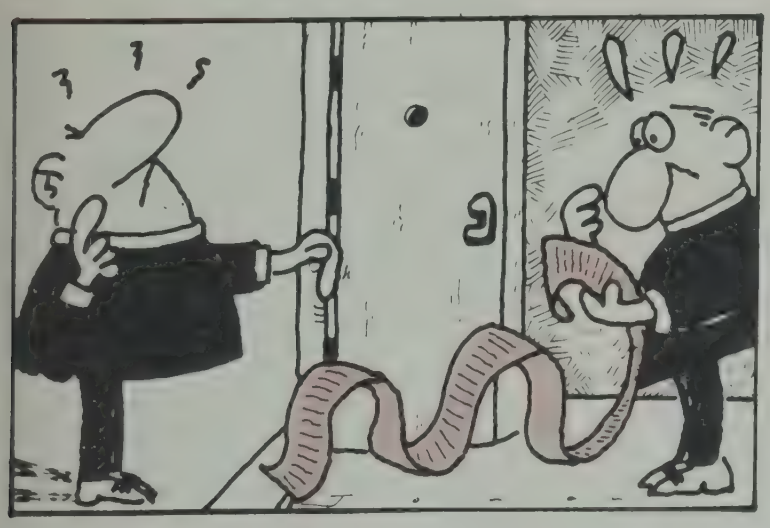
The annual report of the Department of Ocean Development (DOD) for 1989-90 highlights the findings of a survey undertaken by the National Institute of Oceanography (NIO) based in Goa, and the Centre for Earth Science Studies (CESS) based in Trivandrum, along with other central and state pollution control boards.

Key findings during the last year were:

- High levels of heavy metal discharge into the seas off Trivandrum by a titanium factory.
- Heavy inorganic phosphate discharge in the waters off Vishakapatnam.
- Ammonia-rich effluent and the presence of heavy metals like chromium in the seas off Porbandar in Gujarat at Veraval harbour.
- Heavy metal in "exceedingly high" concentrations in the Mahim and Versova creeks in Bombay, into which large quantities of civic sewage are released.

Centre for Environment Education
Ahmedabad

Papers, please



person who was ransferred to Calcutta ecently was asked to roduce the following ocuments:

A copy of the transfer rder.

A copy of the relieving rder.

A copy of his appointment letter and a declaration from the person that he would be transferred within three years or by so and so date.

The demand was made not by the ration card authorities nor the CBI. It was his landlord!

RAMANAND SHARMA
Calcutta

On the air

In a recent survey conducted by the West German travel magazine *Holiday* , the world's top hotel managers were asked to rate the performance of airlines in terms of value for money, service and efficiency.

The five best airlines were Singapore Airlines, Swissair, Cathay Pacific, Lufthansa and Thai Airways. The third and second worst were Aeroflot and Pan American Airways. At the bottom of the chart was, of course, new corporate image notwithstanding, Air India.

J. SINGH
Toronto

A union a day

This image must have an apocryphal origin, but a popular view of Keralites is that when two get together, they form a union. As the state's labour minister disclosed recently in the Kerala legislative assembly, there may be some truth in it: of India's 40,000 registered unions, a quarter are in Kerala. The minister bemoaned the proliferation of unions, but given the Keralite's passion for unionisation, it would be easier to ask amoebae not to multiply!

K.G.K
Trivandrum

Licences not so easy

The government's decision to open up beer manufacturing to newcomers last year has so far remained just a proposal on paper. Beer is now considered an agroproduct and hence comes under the jurisdiction of the ministry of food processing. But all those who thought that beer manufacturing licences will, under the guise of developing the nascent food processing sector, be given by the ministry at will, were mistaken. As many as 150 applications for setting up breweries are now awaiting clearance.

Among them are companies like Mahindra Ugine Steel Company and the RPG group who have no experience in the business. But it is not surprising that they have jumped into the fray. For one, setting up a brewery does not entail much of technology. More importantly, the Rs.500-crore industry is growing at a rate of 10 per cent a year. And with more and more hard alcohol drinkers shifting to beer, there seems to be room for plenty of newcomers.

From Japan to Korea?

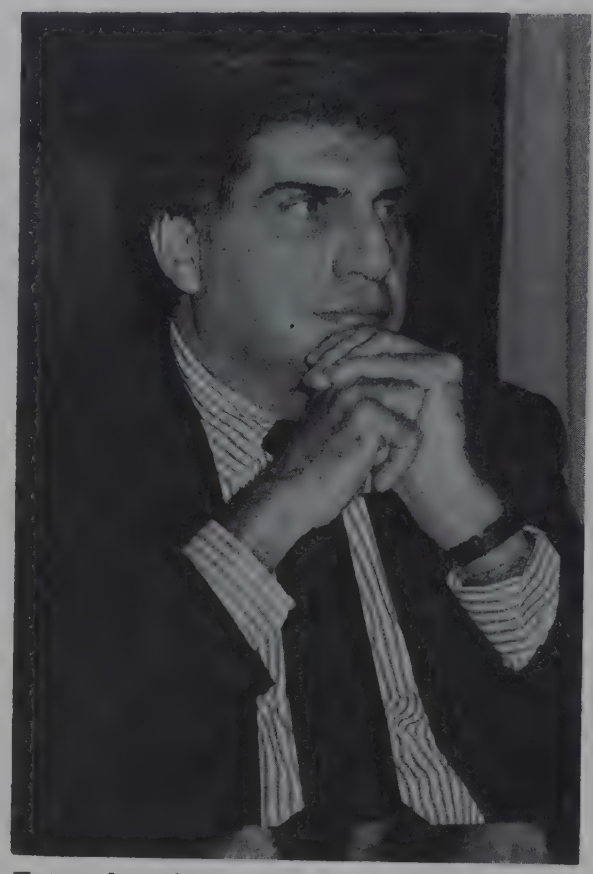
Soon, the government willing, one of South Korea's largest petrochemical groups will put up its flag in India. The SM Dyechem group has arrived at an understanding with the Seoul-based Lucky Goldstar, for a Karnataka government sponsored 50,000-tpa carbon black project. If the government permits, Lucky Goldstar will provide technology and raw material and buy back 20,000 tonnes of the product every year. Additionally, Lucky Goldstar may also invest 20 per cent equity in the new venture. With Japanese investment slowing down in India, will this one flag off a Korean influx?

Tata's new interest

What were Ratan Tata and Homi Sethna doing at the Peico seminar on lighting at Hotel President in Bombay a month-and-a-half ago? Both have little to do with lighting industry, the Tatas not being in this area at all.

Apparently, as insiders at Bombay House — nerve centre of the multi-crore Tata empire — say, this was where Ratan Tata first indicated his interest in Peico. The day long seminar was also the forerunner to Ratan Tata's impending visit to the Phillips N.V. headquarters at Eindhoven, Holland.

According to the Bombay House grapevine, Ratan Tata might probably float another company dealing in consumer electronics jointly with Peico, as part of the newly signed "strategic alliance" plan with the latter. There were indications, at one stage, that Nelco would be involved in the deal.



Tata: planning a strategic alliance with Peico

That Ratan Tata is playing the Peico deal close to his chest and nobody in Nelco or Tata Electric (the majority shareholder) is aware of the developments is surprising because Nelco is looking forward to sharing its excess television manufacturing with Peico.

Kellogs to India

Kellogs, the American giant, is seriously considering entering the Indian market. Best known for its breakfast foods — remember Kellogs corn flakes? — the company also manufactures a wide variety of popular processed foods. For sometime now, surveys have been conducted on the size of the Indian market and eating habits. The green signal is expected shortly.

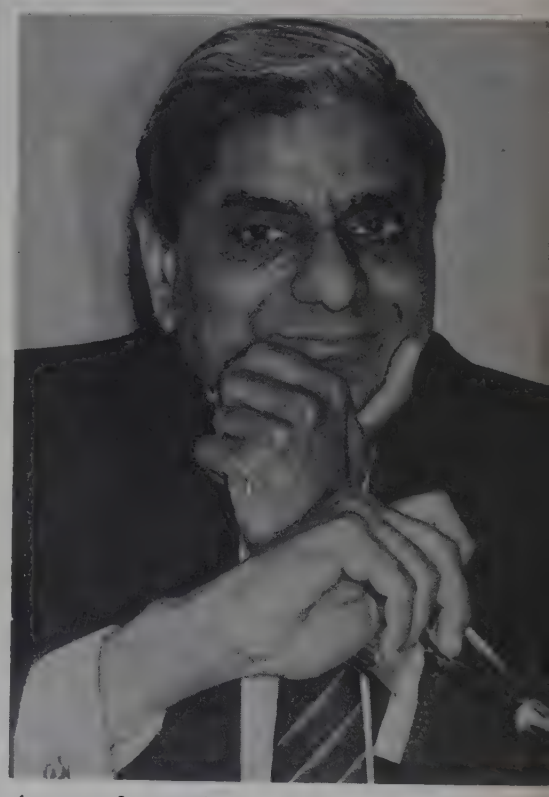
Like many other foreign companies, Kellogs also is not looking for an Indian partner. It would rather prefer a 51 per cent holding, even with export com ments. But, at a pinch, it might settle 40 per cent holding, with the bal raised from stockmarkets.

Given the record of other multinati marketing companies in India, this c be another blue chip in the making.

Incidentally, another giant eyeing Indian market is Reebok, the Brit American sports footware manufactu In a manner of speaking, Reebok has b warming up on the sidelines for a wh But now, it seems, it has taken a deci to enter the fray.

Crisis averted

The drama was over even before the c tain fell. Satya Agarwal, who quit as director in charge of the pharma divis at Rallis India last month end, almost ated a crisis at the Organisation of Ph maceutical Producers of India (OP when he joined as an executive adviso D.K. Bose, managing director of B roughs Wellcome India Ltd (BWI While Agarwal is the president of OP Bose is vice-president. And according OPPI regulations, no pharmaceuti

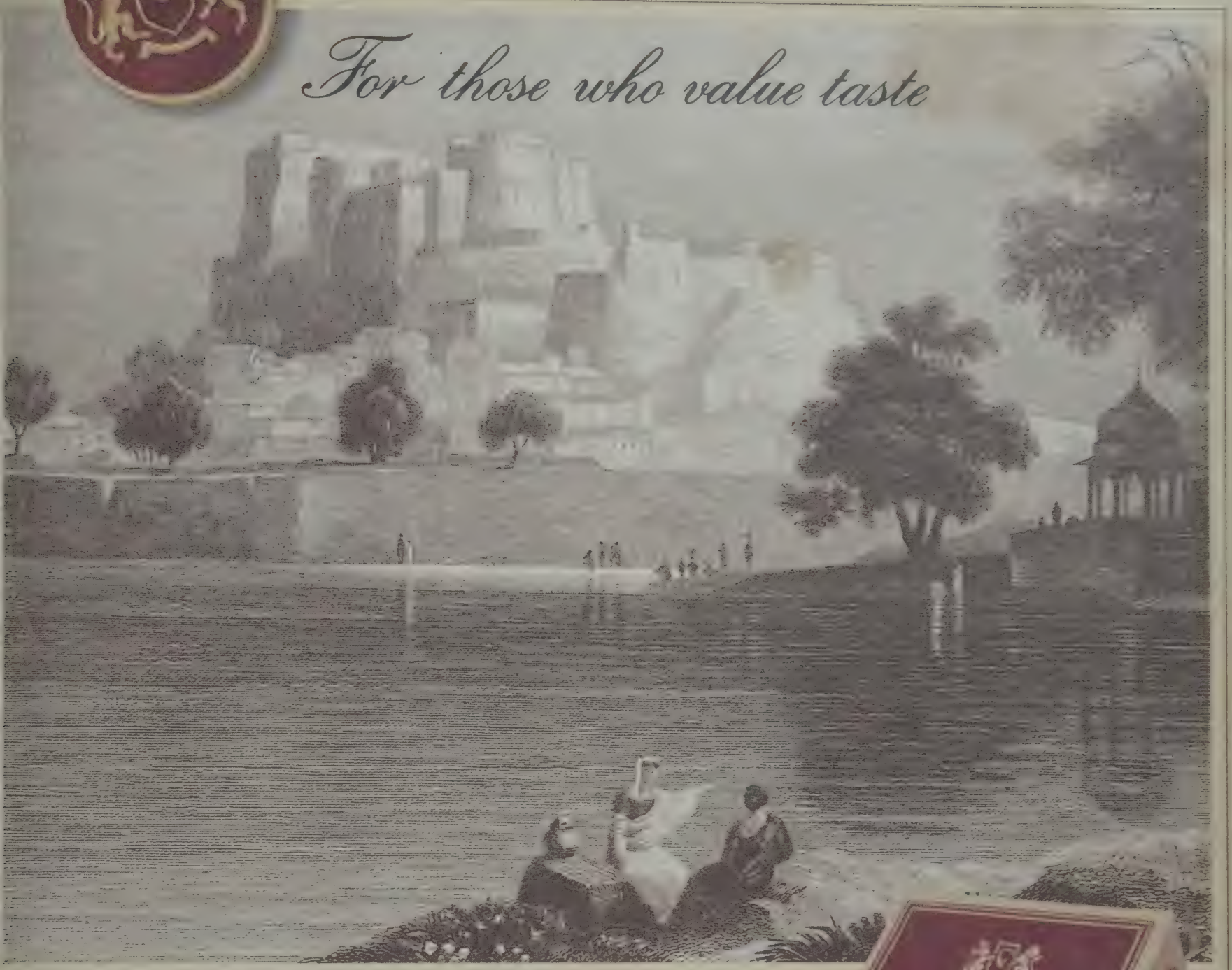


Agarwal: continues as president

company can have more than o representative on the OPPI managi committee.

Luckily for OPPI and Agarwal, the fa that Agarwal's new assignment at BWIL not being considered a full-scale appoin ment (since he will not be on the roll averted the crisis and he continues president of OPPI.

For those who value taste



FORTRESS AT SHUHURJEYPORE, RAJPOOTANA
Drawn by W. Purser. Engraved by Percy Heath

From the Classic collection
at ITC Ltd., Calcutta



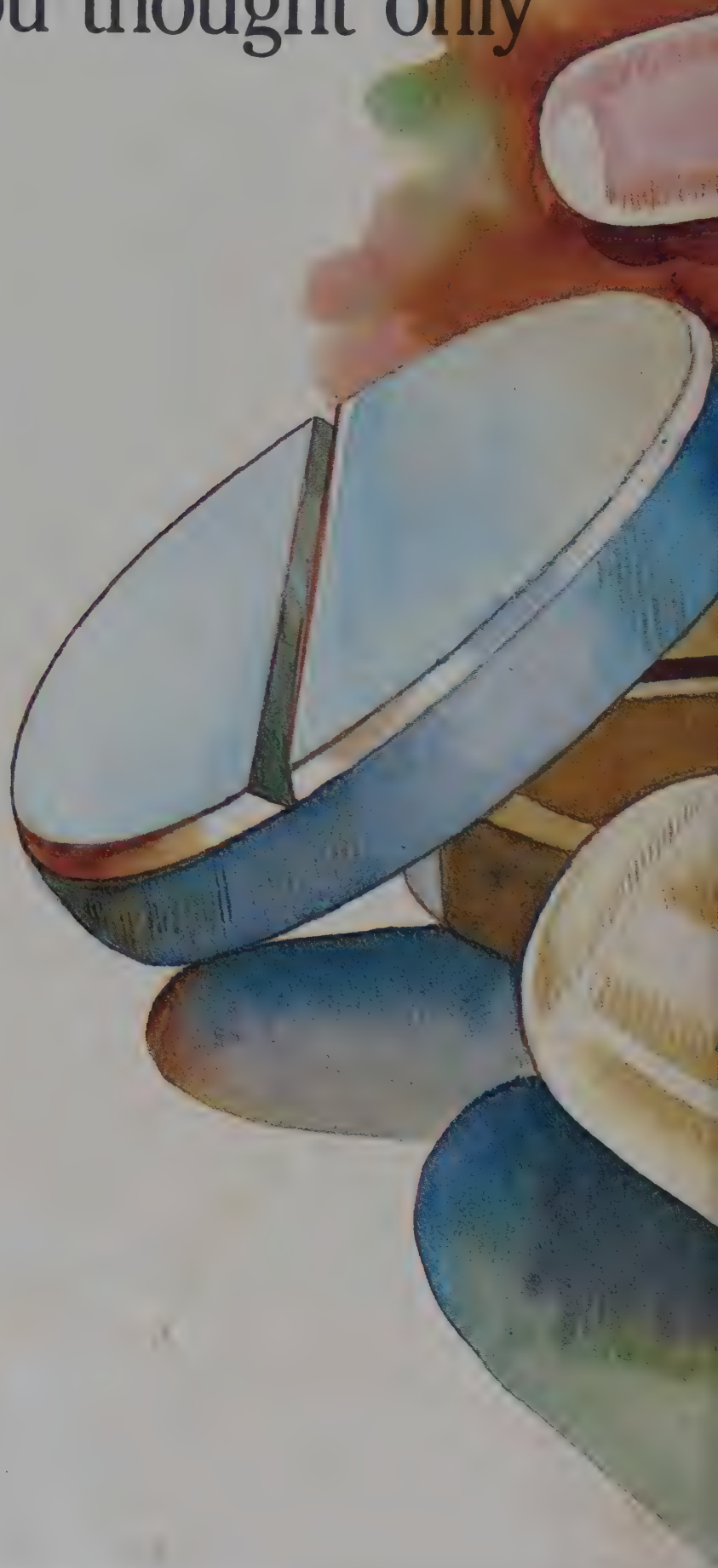
A Contemporary Classic from ITC

A BRAND OWNED BY ITC LTD.
MADE IN INDIA

STATUTORY WARNING: CIGARETTE SMOKING IS INJURIOUS TO HEALTH

LINTAS (CAL)/CLFK/P/2/2820

A significant contribution to the pharmaceutical industry comes from a company that you thought only produced sugar.







The Andhra Sugars. A company over four decades old, that has earned ample credit as one of the top performers in the sugar industry. In 1962, a distillery was set up to manufacture industrial alcohol from molasses - a renewable raw material.

In the very same year, chemical plants were set up to produce acetic acid, acetic anhydride and later ethyl acetate. The Swedish technology adapted was improved upon, and proved cost effective. These chemicals are intermediaries for the pharmaceutical industry.

The Andhra Sugars is also the first Indian company to develop indigenous technology for the manufacture of Aspirin in India. Today, The Andhra Sugars contributes a major share to the quantum of Aspirin produced in the country.

At the inorganic chemicals complex at Kovvur, several chemicals such as sulphuric acid, caustic soda, caustic potash, chlorine, hydrochloric acid, chlorosulphonic acid, alum, and a fertilizer - superphosphate, are produced. They find wide application in industries ranging from pharmaceuticals to pesticides, power plants to paints.

Four decades have changed the face of The Andhra Sugars. From a company that began with a sugar factory to a corporate enterprise that thrives on innovation. Soon, The Andhra Sugars will be diversifying into oils, soaps and petrochemicals. Now, this 100 crore company looks towards its golden jubilee year with keen anticipation and a renewed sense of commitment to industry. And progress.

THE ANDHRA SUGARS LTD. TANUKU

THE ANDHRA SUGARS LTD.

Venkatarayapuram
Tanuku (West Godavari Dist.) Andhra Pradesh

OTS / ASL / 390

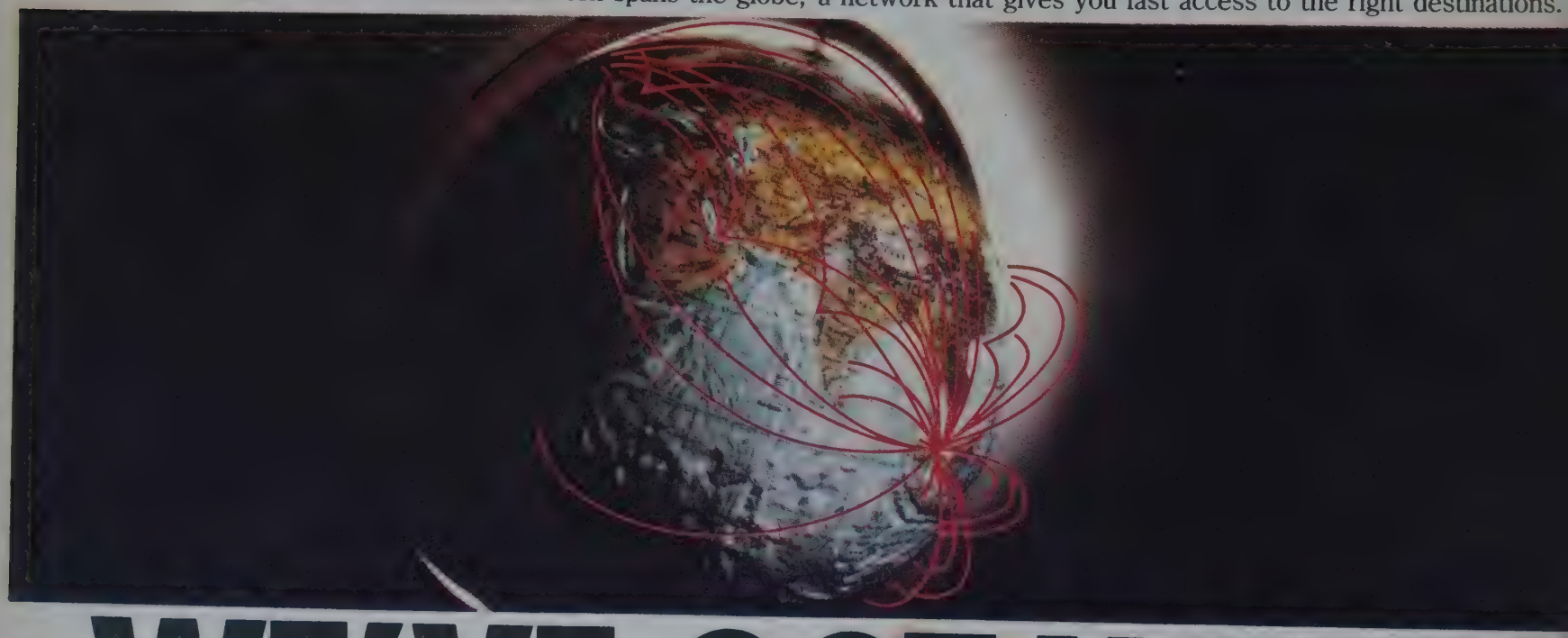
ORGANISED.

With valuable cargo to ship, you're looking for a carrier that plans ahead, a carrier whose organisation is second to none.



GLOBALISED.

You're looking for a carrier whose network spans the globe, a network that gives you fast access to the right destinations.



WE'VE GOT WHAT IT TAKES.

Across 58 cities in 37 countries, we've got what it takes to ensure your cargo arrives at the right place, at the right time.

We've got what it takes
SINGAPORE AIRLINES CARGO

For further enquiries contact SIA Cargo Offices: Bombay-632 2662/632 1070, Calcutta-290 740/291 037, Madras-862 398/477 887, New Delhi-332 4442/332 8617.

6860

ONOMY

price hike

sequel to the world oil price , India's sea freight bill is ex- ed to rise by at least Rs.700



e. Freight rates of foreign s have been increased by 15 cent and foreign companies' kering charges have been bled. The rise in bunkering rges is attributed to the s in the Middle East. The in- quate Indian capacity to y export/import cargo is ex- ed to account for an addi- al Rs.300 crore worth of ign exchange per annum.

pital goods growth

growth in the capital goods ıstry by 25 per cent has given overall industrial growth a ectable finish of 8.3 per cent 989-90. The rapid growth of tal goods, leaving other sec- behind, is a clear indication change in the structure of ıstrial growth. The dramatic t in capital goods' produc- has been significant in the val of the industry, which d a recession throughout ighties. It also implies that stment is picking up.

B's proposal

proposal suggested by the n Development Bank B) to set up a Rs.100-crore an Leasing Industry Fund been approved by the union government. The fund is to be jointly promoted by ICICI, UTI and ADB. The Indian public is likely to have a stake in the fund. The main objective of the fund is to provide long term loans to private sector finance companies. It will also help strengthen their equity bases and ensure easier access to the capital market for resources. While the structure of the fund is yet to be finalised, it envisages equity participation on a large scale.

Credit policy success

The incremental non-food credit to deposit ratio has dipped from 45.1 per cent to 24.8 per cent in the first quarter of 1990-91. This is due to the sharp rise in food credit by 95.3 per cent and fall in aggregate deposits to 3.4 per cent.

It appears that the credit policy for the first half of 1990-91 has been successful in restraining the flow of credit to the commercial sector. This, combined with the steep increase in the banking sector's net monetary liabilities — a factor which has a contractionary effect on money stock — has been instrumental in moderating monetary expansion so far.

BoP crisis package

The government has proposed a combination of foreign loans and bilateral assistance to solve the balance of payment crisis, which has deteriorated rapidly in the last few weeks. The package will consist of loans raised from foreign banks and international financing agencies on commercial terms, and special assistance from certain countries. What has prompted the government to quickly finalise the package is the rapidly declining foreign exchange reserves and the rising import bill on account of higher petroleum consumption and the increase in international prices.

Duty concessions

The existing import duty concession for membrane technology replacement, available to caustic soda plants, has been extended to all other industrial plants. A basic custom duty of 25 per cent with no additional duty, has been prescribed for cotton yarn. Cotton terry towelling fabrics and others have been exempted from auxillary duty. Basic customs duty on cellulose acetate flakes has been reduced from 100 to 55 per cent. Photocomposing systems of certain specifications used by the printing industry are also likely to attract a 35 per cent concession on basic customs duty.

IMF assistance

India has entered into an arrangement with the International Monetary Fund to obtain assistance to the tune of $600 million. The objective is to ease the balance of payment situation. This arrangement will enable India to obtain monetary assistance from the IMF without any conditions *per se* and is favoured over seeking an IMF loan.

Support for exports

In a policy package being worked out by the government, deemed exports will be entitled to Cash Compensatory Support (CCS), on a par with that granted to physical exports. This move is aimed at encouraging indigenous suppliers and simultaneously saving foreign exchange.

Only those items which can meet export obligations, if any are imposed on indigenous producers under the capital goods industrial licence, will be eligible for the status of deemed exports. The government is also planning to streamline the difficult and lengthy procedures for certification.

Gold import

The government proposes to allow gold import by non-resident Indians and foreign tourists. However, the proposal will be applicable only if the duty on such imports is paid in foreign exchange.

The scheme has two main objectives; to relieve the pressure of demand on gold in the country by increasing its domestic availability, and increase foreign exchange earning through the duties gold importers will pay to the exchequer. At present, the duty on imported gold is a prohibitive 300 per cent. Thus the government will stand to earn substantial revenue and will also be able to curb speculative activities and gold smuggling.

CORPORATE

Gujarat Ambuja to set up new plant

Gujarat Ambuja Cement has plans to set up a new cement plant in Bilaspur, HP. The one million tonne plant will be built at an estimated cost of Rs.200 crore. Work on the project, which is expected to be commissioned in 1992, has already begun. The company, which has posted excellent results for this year, will part finance the project from the Rs.55 crore available in their reserves, and also approach the World Bank for credit. Bilaspur was chosen as the site of the plant since the northern zone is deficient in cement.

Kirloskar Cummins receive award

Kirloskar Cummins Ltd received an EEPC award for achieving

If we don't tell you that MELTEL is the best...



A lot of other people will.

Because a lot of other people happen to be extremely satisfied users of the Meltel Business Communication System. After all 1 out of every 2 systems sold in Bombay is a Meltel. Yes, it costs a little more, which is not very surprising when you consider that the Meltel Key Telephone System (KTS) has features the competition is still thinking of putting in.

Today, Meltel is the leader in quality. (Ask any of our many customers.) And the leader in sales. (Ask the competition.)

But then we don't really have to tell you all this. Because a lot of other people will.

MELTEL. India's largest-selling Business Communication System.

For enquiries please contact: ***DISTRIBUTORS:*** **ENKAY ENTERPRISES** 92, Arcadia, Nariman Point, Bombay 400 021 Tel: 2041706, 220574, 221530, 230645, 230279 • Tlx: 011-6324 ROME-IN • Fax: 022-2022671
DEALERS: **New Delhi: Telerex Communications,** Tel: 6445354, 6460968 ● **Calcutta: Classic Telecommunication,** Tel: 753107, 755975 • **Midas Services,** Tel: 431247, 442573 ● **Madras: Concepts & Devices,** Tel: 475174, 867719 ● **Bangalore: Amitronic Agencies,** Tel: 225378, 221295 ● **Ahmedabad: Veearsons,** Tel: 409919, 403596 ● **Secunderabad: Link Well Electronics,** Tel: 843147, 842609 ● **Pune: Asmita Electronics,** Tel: 440889, 423736 ● **Nagpur: Business Algorithms,** Tel: 533703, 530545.

MELTRON

MAHARASHTRA ELECTRONICS CORPORATION LIMITED
ZONAL OFFICE (WEST): BMRDA Building, E Block, Bandra-Kurla Complex
Bandra (East), Bombay 400 051



highest exports in the diesel
ine industry in 1988-89.
he company, which mainly
orts engines in the 700-900
range to the US, Japan and
UK, reached an export figure
s.34.03 crore this year. KCL
iming for an export target of
300 crore within the next five
rs, as it hopes to corner 10
cent of Cummins's imports.
mmins Inc. USA, KCL's par-
company, imports Rs.3,000
re of components every year.

kay to set up steel it

ay Silk Mills has offered to
up an EOU for the manufac-
e of CR strips with a million
ne capacity. The estimated
estment will be Rs.600 crore.
s proposal envisions the sin-
largest CR facility in the pri-
e sector.

mbay-Goa service

Great Eastern Shipping
poration (GESC) has de-
d to jettison its proposed
ıbay-Goa passenger service
. The company has also can-
ed its order for a $ 5 million
senger ferry placed with a
wegian shipyard in Febru-

ollowing GESC's with-
val, SCI will ply this route.
Goa government has given
a Rs.70 lakh subsidy. The
ıbay-Goa ferry service has traditionally been a loss making route and is subsidised by the state governments of Goa and Maharashtra.

AI plans global cargo operations

Air-India has plans for global cargo operations in the next few years. With this in view, AI will convert its existing fleet of Boeing 747-200s to freight carriers. The ageing 747 were due to be scrapped. The airline is also acquiring four new Boeing 747 combis.

By 1998, the freighters will be transferred to AI's subsidiary, Air-India Charters, for service on major international routes. The plans include a shuttle service to the Gulf and creating a hub in Europe for cargo service.

Kothari's modernisation drive

Kothari Industrial Corporation Limited is planning a major modernisation drive over the next four years at an estimated cost of Rs.13.86 crore. The company's textile divisions at Coimbatore and Alsoi, the fertiliser division at Ennore, and its plantation division are the sectors earmarked for modernisation.

KCIL will take soft loans of Rs.10.83 crore from banks and financial institutions, and contribute Rs.3.03 crore from its internal accruals to finance the project.

Orissa transport units merge

The Orissa government has decided to merge the state owned transport company, Orissa State Road Transport Company, a public limited enterprise. Both the companies have been incurring heavy losses in the past years. An attempt to persuade the employees to take over the respective managements failed, leading to the merger. The merger is expected to improve the efficiency of the organisations.

UB petrochemical plant commissioned

The group's first petrochemical project at Manal, Tamil Nadu, was commissioned on 12 August. The Rs. 81 crore joint sector project was set up with TIDCO and Montedipe Srl of Italy. The plant, which will manufacture 100 per cent import substitute petrochemicals, is to start selling its products in a few days' time. Initially, to function at 70 per cent capacity, the plant will produce 12,000 tonnes of propylene oxide, 6,000 tonnes of polyether polyols and 7,000 tonnes of propylene glycol.

Management reshuffle at Bokaro

As part of the Bokaro steel plant's efforts to revamp its working, several changes have been made in the management cadre. Over 28 officers have been promoted and four transferred from various departments. The changes include transfers to other departments at the assistant general manager and deputy general manager levels. The reshuffle has been executed by the new MD, M.R.R. Nair, who took over in June this year.

Hindustan Shipyard's first warship ready

INS *Savitri*, the first warship being built by Hindustan Shipyard is almost ready for delivery on schedule. The 1,900 tonne vessel is the first of the four warships that HSL is building for the navy. Hitherto, it concentrated on merchant marine vessels.

The yard which is celebrating its golden jubilee, has cleared its backlog of seven ships and has orders for six barges and nine offshore platforms on its books. The public sector shipyard, however, has accumulated losses of over Rs.200 crore and the government is considering a revival package to help it break even.

Industrialist passes away

Naoroji P. Godrej, the eminent industrialist, expired on 9 August at his residence in Bombay. Godrej, 73, was the managing director of the Rs.400-crore Godrej and Boyce Manufacturing Company and a director of Godrej Soaps.

Godrej was responsible for the creation of Pirojshanagar, an industrial township in Vikhroli, Bombay, and is credited with having introduced the country's first typewriter. He was also president of the All India Machine Tools Manufacturers' Association from 1971 to 1973. Godrej was awarded a Padma Bhushan in 1976 for his contributions to Indian industry.

FERA violation by Bombay Dyeing alleged

Bombay Dyeing has been served a show cause notice by the enforcement directorate for violations of FERA. The violation relates to the company's purchase of a DMT plant and equipment from Hercofina, USA, with an installed capacity of 60,000 tonnes per annum.

According to the notice, whereas the ICICI and SBI had remitted $ 10 million, the shipment of the plant from August 1982 to February 1985 was valued at only $ 9 million. The use of the remaining $ 1 million has been questioned in the notice.

Cut and keep this ad in your vehicle.



You'll need it in case of an accident.

It can happen to the most careful person. As you drive on the roads, suddenly, you meet with an accident. And your vehicle is damaged.

Should this happen to you, do the following:-

- Intimate your insurance company immediately, at the office/branch from where the insurance was taken, quoting the policy number.
- Fill in the claim form accurately giving all the details.
- In case of collision, take down the number of the other vehicle.
- Obtain names and addresses of eyewitnesses, if possible.
- In the case of a commercial vehicle, do not remove it from the spot of accident until a spot survey is completed, or before 48 hours from the time the insurance company is intimated.
- Submit an estimate of repairs to your insurance company. Proceed with repairs only after estimate is approved.
- Await completion of survey formalities. Try to be present at the garage when the vehicle is surveyed by the surveyor appointed by your insurance company.
- Ensure that the garage has properly carried out the repairs authorised. Wherever possible, obtain the purchase bills of the parts replaced.
- Present the following documents as appropriate to the surveyor when asked for: Driving Licence, R C book, Route Permit and Fitness Certificate (for commercial vehicles), and Badge (for taxis).
- Once the vehicle is repaired satisfactorily, sign the Satisfaction Voucher of the garage. The insurance company will pay the garage directly, or reimburse you if you've settled the garage bills, as per the assessment of the surveyor.
- In case of theft either of parts or of whole vehicle, report immediately to the nearest police station and pursue the case with the police. Report the theft simultaneously to your insurance company.

Important: If a third party is injured, or property is damaged, inform the police and the insurance company immediately.

Please help us to help you in getting the claims recovery faster.

File your claim right and it will be processed in the quickest possible time.

आपत्काले रक्षिष्यामि

GENERAL INSURANCE CORPORATION OF INDIA

NATIONAL INSURANCE COMPANY LIMITED | THE NEW INDIA ASSURANCE COMPANY LIMITED | THE ORIENTAL INSURANCE COMPANY LIMITED | UNITED INDIA INSURANCE COMPANY LIMITED

R K SWAMY/GIC/167 A

DUSTRY

tex units shut

ıy of the 30 export, oriented
x gloves units have sus-
ded operations. According
harat Chandra, convenor of
Gloves Manufacturers Asso-
ion, this is because Indian
ducers find it difficult to



ıpete with Malaysian, Tai-
ese, Thai and Chinese units.
se south-east Asian units
e an edge in the market as
ke Indian manufacturers,
have formed consortiums
ch give them an identity.
y also get working capital
ıs at low interest rates and
e lower debt service costs.
ı order to rescue the latex in-
try, the association suggests
the natural rubber subsidy
ndian latex be raised to 're-
tic levels' so that the differ-
e between global and Indian
es is neutralised.

traders threaten
r

t Bengal traders who have
ped paying taxes since July,
e threatened to go on an in-
nite strike from 24 August, if
state government fails to re-
the newly amended sales
laws and rules.
he recent amendments to the sales tax laws in the state has raised serious problems for traders, according to S.N. Kasera, general secretary of the Federation of West Bengal Trade Associations (FWBTA).

The new system requires monthly payment of sales tax by registered dealers and a visit by tax officers on a fairly regular basis. Traders would also have to produce books of account, sales and purchase bills and itemwise stock registers at the time of obtaining permits for notified goods. Security for permits is also mandatory.

FWBTA representatives claim that it is not feasible for traders to maintain all these records at their place of work. Needless to say, regular visits by taxmen has caused panic among traders.

FICCI seeks a review

The Federation of Indian Chambers of Commerce and Industry (FICCI), claiming that the price/purchase preference policy gives undue protection to public sector units (PSUs), has called for its review.

According to FICCI, this adversely affects the private sector units, especially in areas where large surplus capacities have been built up. As a result PSU's that manufacture cast iron, spun pipes, electronic metres, electronic test equipment and drug and pharmaceuticals, have been affected say FICCI officials. They add that PSUs are sheltered by the policy and hence lack initiative.

Surcharge on power in TN

The Tamil Nadu Electricity Board (TNEB) has guaranteed uninterrupted power supply to those industries which agree to pay a surcharge on all the power they consume. This offer is aimed to ensure sales of power generated from the gas turbine stations at Basin Bridge, Madras.

The cost of generating one unit of power from this station is Rs.2.60, as against Rs.1.10 from other plants. The cost is higher because this plant uses high speed diesel, light diesel, naphtha and other materials which are expensive.

Though the offer has been met with mixed reactions, so far it is understood that about ten companies have responded favourably. TNEB has to yet work out the exact percentage of surcharge.

Call for halt to leather exports

The Indian Leather Products Association (ILPA) wants the export of finished leather to stop immediately. According to G.K. Gulab, vice-president of the ILPA, the ban was necessary to ensure that the leather products industry does not face a serious shortage of basic raw materials in the mid-nineties.

"The Central government should expedite its proposed policy announcement for phasing out exports of various categories of finished leather," he said.

LABOUR

Bata workers unhappy

While production has resumed at Batanagar following a tripartite settlement between Bata India, the workers union and the West Bengal government, the MoU which was signed in the presence of leading CITU leaders has led to resentment among the majority of workmen. In fact, The Bata Mazdoor Union seems so divided over the terms accepted in the memorandum of settlement that some insiders are sure it is heading for split.

While the general secretary of BMU, Robin Sinha, who is a CITU representative, had claimed that the settlement was "an honourable one", many of the workers, including office bearers, feel that it was a complete sell-out to the management.

Some office bearers of the BMU allege that CITU members instigated the strike to 'help' the management stop production so that 8.6 million pairs of shoes lying in different shops can be cleared.

Sop to SE employees

The managing council of the Bangalore Stock Exchange has taken a decision which it hopes will be acceptable to the employees currently on an indefinite strike.

The council has decided to give the employees dearness allowance at Central government rates and house rent allowance at the rate of 20 per cent of basic pay. City compensatory allowance will, however, remain at the existing level as what is being offered by way of CCA is only Rs.50 short of the 10 per cent of



basic pay which the employees have been asking for. In terms of wage revision, the employees will be offered a minimum hike of Rs.100 at all levels as against Rs.200 demanded.

Textile workers' demands

The Rashtriya Mill Mazdoor Sangh (RMMS) representing textile mill workers in Bombay, has submitted a memorandum on 8 August to the Maharashtra chief minister Sharad Pawar to convey their demands.

Since 1982, several textile mills in the city have been shut down and 25,000 workers have been unemployed. Though the state government had decided to invest Rs.100 crore for the revival of these mills, it has been stalled by the Centre.

Haribhau Naik, president of RMMS, proposed that, rather than wait for the Union government's approval to restart these mills, the state government should take the mills on lease and run them or allow them to be operated on a co-operative basis. The memorandum also demanded that the unemployed mill workers be given a monthly subsistence allowance.



Transfer resented

The five-day-old work-to-rule agitation by the employees of the Indian Oil Corporation in the southern region has forced Cochin Refineries to shut down its plant, leading to an unprecedented shortage of petroleum products in Kerala. The Union ministry for petroleum is ing frantic efforts to sett dispute.

Union petroleum mi M.S. Gurupadaswamy h sured the workers that n employee will be transfer retrenched, following the fer of marketing rights of C Refineries products from Bharat Petroleum Corpor The work-to-rule agitati the IOC employees was in est against the transfer o keting rights to BPCL.

With Cochin Refineries ting down their secondar cess, production of dies petrol and liquid petroleu has also come to a stan Production of naphtha, a as aviation and turbine will be suspended if the tion does not improve.

The transfer of mark rights to BPCL is reporte policy decision of the Unic troleum ministry.

DIARY

DATE	SUBJECT	ORGANISER	VENUE
6, 7 September	**Total productive maintenance, an approach towards zero break down**	National Productivity Council, Novelty Chambers, Grant Road, Bombay 400 007. Tel: 371322	Bombay
7, 8 September	**Industrial licencing**	Centre for Excellence in Management, 2/34 Tardeo A/C Market Building, Tardeo, Bombay 400 034 Tel: 4930349	The Oberoi, Bombay
10-14 September	**Effective cost control**	XLRI Jamshedpur, Post Box 222, Jamshedpur 833 001. Tel: 25231	XLRI, Jamshedpur
11-14 September	**Management of discipline**	Shri Ram Centre for Industrial Relations and Human Resources, 4E/16 Jhandewalan Extn., New Delhi 110 055. Tel: 519064	New Delhi
11-14 September	**Appropriate strategies for promotion of income in the rural sector**	Xavier Institute of Management, Bhubaneshwar 751 013 Tel: 52446	XIM-B Campus
13 September	**Union management: How to make your union positive**	MMC School of Management, Court Chambers 3E1, 35 Mew Marine Lines, Bombay 400 020. Tel: 299732	Sea Rock Sheraton, Bombay
14-15 September	**Loss Prevention in materials management**	Institute of Materials Management, 205-A Arun Chambers, Tardeo Road, Bombay 400 034. Tel: 4948854	Taj Mahal Hotel, Bombay
16-20 September	**Managerial excellence**	Western UP Productivity Council, Krishna Nagar, Roorke Road, Meerut 250 105. Tel: 73785	Hotel Fidalgo, Goa

IDBI Capital Bonds
An attractive instrument for exemption from Capital Gains Tax.



- Available at par throughout the year.
- Exemption from Capital Gains tax under Section 54E of the Income Tax Act, 1961.
- Exemption from Wealth tax under Section 5(1) (xvie) of the Wealth Tax Act, 1957.
- Income tax benefit under Section 80L.
- Interest at 9% p.a. payable half yearly.
- At the investor's option, interest for the full period of 3 years can be paid in advance on discounted basis.
- No deduction of tax at source.
- Outstation cheques accepted and cost of collection will be borne by IDBI.

Sobhagya-B/89

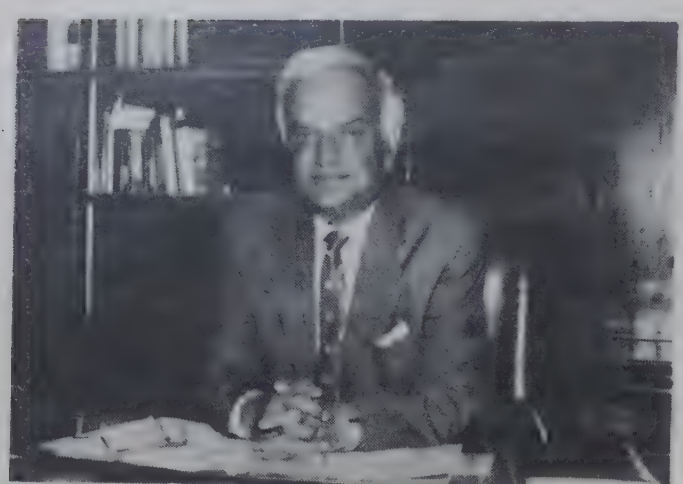
For further details contact the nearest IDBI office or write to Manager

INDUSTRIAL DEVELOPMENT BANK OF INDIA

IDBI TOWER, Cuffe Parade, Colaba, Bombay 400 005.

DISHERGARH POWE

A Member of the Ar



Extracts from the Speech of Shri K. S. B. Sanyal Chairman, at the Annual General Meeting on 10th August 1990.

Friends,

It gives me great pleasure to welcome you to this Annual General Meeting. You must have gone through your Company's annual report and observed the excellent performance during the year under review. Your Company achieved a record turnover of Rs 68.8 crores and pre-tax profits touched the eminently satisfactory level of Rs. 4.42 crores. Going by present trends, both these figures should show substantial improvement in the current financial year.

Satisfactory Decade

This happens to be my last Annual General Meeting before I lay down office at the end of the current financial year. Looking back at the splendid progress made by your Company through the arduous years in the eighties, I cannot but feel a sense of deep satisfaction. In the course of the decade just completed, your Company's investment both in the form of gross block and capital employed has more than quadrupled. This has enabled your Company to increase the supply of electricity to consumers from 384 million units to 581 million units. The steady plant load factor track record of 65% has been achieved despite the age of the plants through watchful operation and maintenance, planned overhauling and prompt attention to breakdowns, if any.

I daresay, devotion to duty which is so essential to keep a service industry going, stems from the inner motivation and singlemindedness of our staff. Your Company remains a shining example of how an intangible focus on human resources development inevitably yields tangible results in operational terms.

While these are no mean achievements both in physical and qualitative terms, our added satisfaction lies in efficient execution of the challenging task of project management for 20 MW Captive Power Plant of Eastern Coalfields Limited. Your Company can legitimately claim the distinction of pioneering the leasing concept in power generation. This will no doubt go a long way in overcoming the endemic resource constraint bedevilling this highly capital intensive industry. Apart from imparting a new dimension to your Company's generation and distribution activities, this creates a classic — and welcome — example of a successful consumer-licensee tie up of which there are no parallels in this country.

Economic Resurgence of West Bengal

The eastern region has been long subject to economic injustice owing to the inequitable freight equalisation policy. Unfortunately, vast potentialities have remained untapped owing to insufficient allocation of funds, amongst other reasons. Once a leading industrial State, West Bengal found itself being pushed to a corner owing to discriminatory treatment at a time when the State's economy needed sympathetic help and succour to mitigate the pressure arising from a sustained influx of migrants from across the border. Today, the light at the end of the tunnel seems visible at long last. The clearance of the Haldia Petrochemical Project has brought new hopes of economic revival in West Bengal.

A reorientation of the planning process through qualitative changes which can help achieve employment generation, decentralisation and quick upliftment of the rural sector are envisaged in the draft approach paper. The latter is expected to set the tone and pace of development for the region. In West Bengal, factors like a stable government, communal harmony, an effective panchayat system and credible land reforms will no doubt serve to strengthen the economy. The new concept of involving elected state and local bodies in the plan implementation and monitoring of schem also an appropriate one.

Private Sector Participation

The economic policy of the National Fr government has re-emphasized the imperative of efficient utilisation of resour for increasing productivity. To achieve a growth rate of 5.5% in the Eighth Plan pe would however require massive investme in the energy sector, where the chasm between demand and supply is slated to burgeon from 48,000 MW in the Eighth Pl 62,000 MW in the Ninth Plan at present investment levels. To bridge the gap, it is essential to add 1 lakh MW capacity by th year 2000.

The Union government has already mad clear that the private sector will be allowe play a greater role in bridging the large ga power generating capability and requirem We warmly welcome this aspect of the ne power policy. The proposed bill seeking amendments in electricity laws for increas the rate of reasonable return, the licensing period and the debt equity ratio will no dou pave the way for attracting private sector capital to this basic industry.

At the same time, the Eighth Plan draft approach paper has stressed the need to r public sector units on the basis of commer viability, thereby discouraging subsidies in form of cheaper electricity. The need of the hour is efficient utilisation of capital resour Indeed, this has been one of the primary policy planks in the Yule Group. While I hol no brief for either the public or private secto I feel that in the ultimate analysis it is the "efficient sector" which alone will best serv the national interest. Efficiency should not b measured in financial terms alone, and fact like higher capacity utilisation, technologica self-sufficiency and qualitative competence must be taken into account. On the point o accountability, there is not much distinction between the two sectors given that the bulk resources in the private sector actually flow from either public sector financial institution or the investing public, and as such the burden of social responsibility remains firml cast on the private sector too.

Conservation of Energy

In recent years, much has been talked about on the need to promote conservation energy. Neither tax incentives nor penal pricing policies have yielded the desired

UPPLY COMPANY LTD.

e Group of Companies

sult. Ultimately the government has nposed selective restrictions on use of etroleum products. There will be greater eed for inter-fuel substitution in the energy ector and a more determined exploitation of enewable energy sources.

The government, the Confederation of ngineering Industry and various Chambers of ommerce have rightly taken up a drive to pread the energy conservation credo. I shall nly underscore the high quantum of ansmission and distribution losses that add the problem. Apart from the heavy price at consumers have to pay in the form of an xtra tariff burden, the prevention of line sses on account of unauthorised usage or ilferage could lead to improvement in the vailability of power by at least 10%. The onsumers, therefore, in their own interest ust resist misuse and help the power utilities nd law and order authorities in apprehending e offenders.

It will also be appropriate to give serious ought to a time-of-use tariff system as a ep towards promoting conservation of lectricity. Both fuel utilisation efficiency and nergy consumption can be vastly improved y setting up captive plants of larger individual apacities catering to a group of industries, stead of having small generating sets for dividual units.

Chinakuri Project

I had reported to you last year about the greement entered into by your Company ith Eastern Coalfields Ltd.for setting up and ubsequently operating a 2 × 10 MW captive ermal power plant for the Chinakuri group of oal mines. I am happy to inform you that ere has been extremely satisfactory rogress in the construction work in a span of 6 months. The time, cost and quality aspects f the project have been handled in a rofessional way and the inevitable constraints and hurdles have been tackled well so as to leave the pace of work unimpeded.

Your Company has successfully demonstrated the quality of its managerial skill in implementing this greenfield project from conception to present state of execution, encompassing aspects such as fund management, cost control and quality control. Utmost care has been taken so that the plant does not pose environmental hazards to the locality. As a project management agency, your Company has also undertaken the responsibility for land acquisition and security. I note with a sense of fulfilment that your Company has amply and ably demonstrated that it is up to the task of taking up big power projects.

Human Resources

Experience testifies overwhelmingly that human talent is far more vital for the success of an enterprise than any other factor. I fully agree with the widely held conviction that the fortunes of an enterprise are shaped largely by its human material. This philosophy has been the central focus of all your Company's activities. Your Company has always given due importance to human resources development aimed at creating an atmosphere which enables the maximum flowering of employee potential.

Our Strengths

With your Company's professional work culture nurtured over the years under the umbrella of the Andrew Yule Group, and with its competent, dedicated and result-oriented team following the "efficient sector" dictum, I do feel that your Company is placed on a springboard, duly positioned to take a bigger leap towards bridging the demand-supply gap of power in this region. The time has come for us to think about erecting larger capacity power plants, moving on from the concept of catering for survival power to the need for power for all round growth. The challenge for the nineties is to further develop the wherewithal and provide opportunities to enable your Company to play a bigger role and attain greater heights.

I must also take this opportunity to reiterate that to implement the various proposals for expansion, your Company's licence needs extension beyond 1992. I sincerely hope that the Government of West Bengal will consider this issue favourably.

Acknowledgements

We are most grateful for the continued support given to your Company by the Government of West Bengal, particularly its Department of Power, the West Bengal State Electricity Board, the Damodar Valley Corporation, Coal India Limited and Eastern Coalfields Limited. On behalf of the Board, I would like to assure all concerned that your Company is fully aware of its responsibilities and will not cease to strive for further improvement in its performance standards.

Chairman

Note : This does not purport to be a record of the proceedings of the Annual General Meeting.

BOARD OF DIRECTORS
K. S. B. Sanyal
N. K. Biswas
S. P. Mathur
M. K. Mukherjee
Brig. D. N. Mullick (Retd.)
Jayanta Ray
S. N. Singh

Chief Executive
Maj. Gen. A. K. Mukherjea (Retd.)



A TRADITION OF 78 'LIGHT' YEARS

CC/DPS-1/90

HARISH MEHTA

Harish Mehta, the joint managing director of Hinditron Computers has been elected the new president of the National Asso-



ciation of Software and Service Companies (Nasscom). Nasscom, still a fledgling representative body of the Indian software companies, has been playing an active role in creating software awareness in the country. Its role, says Mehta, becomes all the more important in view of the fact that a new software policy is on the anvil. "Our objective is to strengthen the domestic base, before we talk of making major inroads, into the software exports market," says Mehta. He feels that the Indian software industry should be attracting more people who are better trained.

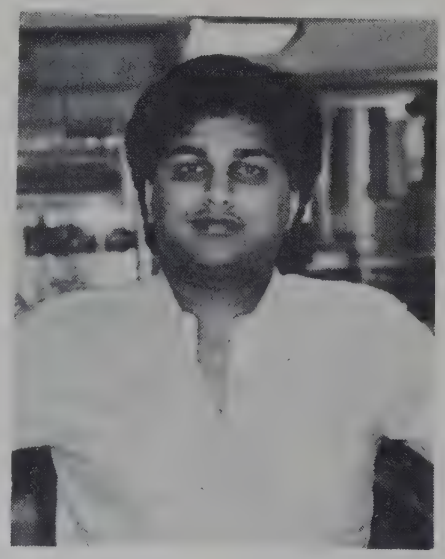
RAM PIPRAIYA

In the last eight years, Ram Pipraiya has not only made his investment consultancy firm Aridhi Investments one of the best known in the field, he has also authored three top-selling books on personal finance. Now Pipraiya is taking his company into manufacturing for which he acquired a listed finance company on the Bombay Stock Exchange and renamed it Aridhi Hi-Tech Industries recently. This company will invest about Rs.2 crore in setting up a frozen food plant near Delhi. Aridhi Hi-Tech Industries will also set up an amusement park in Agra at a cost of Rs.1.36 crore. "Both these projects have a captive market," says Pipraiya who worked with Metal Box and Hindustan Lever before branching out on his own.



RAJU SHETE

In the four years that it has been around, Foodland Supermarket, located in Bombay's posh Juhu suburb, has reached a turnover of Rs.4 crore per annum. But



Raju Shete, the 29-year-old managing director, has no immediate plans of expansion because according to him, it's difficult to get a team of trained and dedicated personnel, committed to service. Foodland is a sister concern of Radhakrishna Offshore Service Pvt Ltd. Started in 1980, over the years, Radhakrishna (1989-90 sales:Rs. 10 crore) has established a name for itself as one of the largest caterers in India for offshore and onshore catering and support services to oil exploration and production activities.

ARUNKUMAR CHOKSI

"The increasing importance placed by the government on housing makes it the challenge of the 21st century," explains

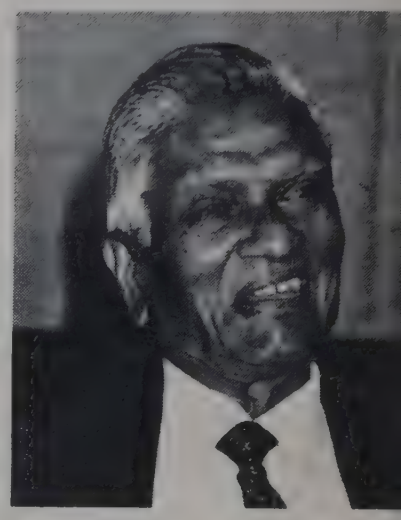


Arunkumar Choksi, chairman, Rainbow Housing Development and Finance Corporation (RHDFC), which entered the capital market in September 1989.

Choksi is once again planning to tap the capital market to set up an exclusive housing finance company. The new company, under the banner of Rainbow Home Finance (RHF), will have an equity base of Rs.10 crore and plans to expand Rainbow's housing finance on a large scale. RHDFC acquires land at urban centres, develops these sites and provides finance for construction. However, RHF will operate as per the norms of National Housing Bank and provide only loans.

K.K. DOSHI

The recession in the diamond industry seems to have bypassed eight-year-old Shrenuj & Co Ltd. On an annualised basis, it recorded a 55 per cent increase in sales turnover to Rs.33 crore, and a 70 per cent spurt in net profit to Rs.3.1 crore, in the year ended March 1990. "Our performance was helped by our diversification into fancy diamond cuts like marquise and pearls. Value-addition is more and competition is less in this segment,"

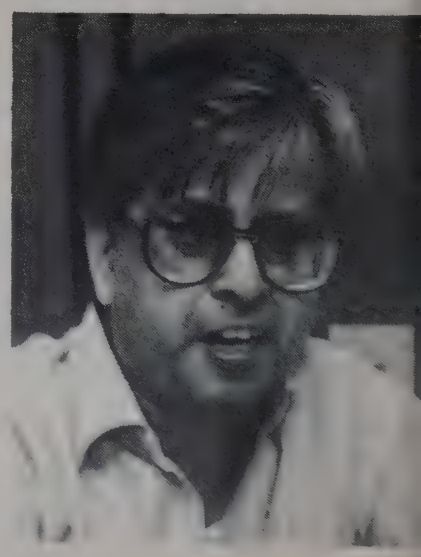


says chairman K.K. Doshi. In r sponse to the growing dema abroad for jewellery studde with diamond and precio stones, Doshi is all set to co mission a Rs.2 crore 100 per ce export-oriented jewellery ma ufacturing unit at SEEPZ Bombay by mid-1991.

LALIT DOSHI

Not for him publicity cam paigns, seminars and pre hand-outs to mark the 25th ye of the organisation he head "We will be happy if our silv jubilee programme is relevant t the industrial development the state," says Lalit Doshi, th new managing director of th State Industrial and Investmer Corporation of Maharashtr Limited (SICOM).

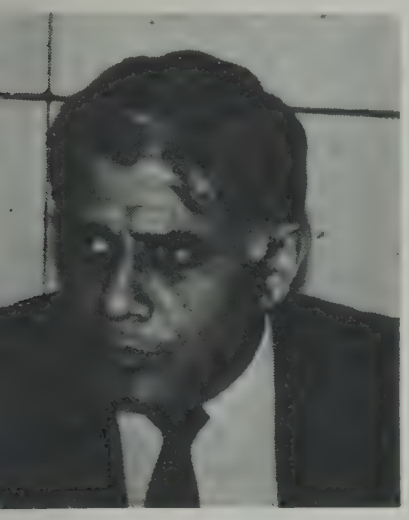
Having disbursed loans wort Rs.62 crore to 352 industria units last year, SICOM is no working out details of an incer tive scheme for encouraging em ployment generation and no merely asset creation. Accord ing to Doshi, SICOM would als



ke to look at innovative pro-
cts like the use of technology
r increasing the shelf life of
rocessed food.

P.P. MADAPPA

arnataka Antibiotics & Phar-
aceuticals Ltd (KAPL), with
ales of Rs.15 crore last year, is a
are public sector pharmaceuti-
al company which does not
ave any accumulated losses. In
lay this year, KAPL was
warded the Indira Gandhi Pri-
adarshini Award for excellence
n management of a public sec-
or unit, instituted by All India
lational Unity Conference, New
elhi.



The company has plans to
anufacture animal birth con-
ol injections. Says P.P.Mad-
ppa, its managing director,
his injection is in the final
age of approval by the Drugs
ontroller of India." CAPL will
on be manufacturing AIDS di-
gnostic kits. Says Madappa,
Even while diversifying into
w areas, we will remain in our
aditional areas — manufac-
re of life-saving drug formula-
ons."

[redacted]

ith the international demand
r superfine combed cotton
rn showing a steady increase,
il Jain, the managing director
Indo-Count Industries has de-
ded to start a 100 per cent ex-
ort-oriented unit to
anufacture the same.



"If Pakistan can be a major player in the international market, India can be too," says Jain. His Rs.27 crore project, which will come up at Kolhapur in Maharashtra, is to have the latest equipment supplied by internationally renowned names of West Germany and Switzerland. This, says Jain, is to ensure that the yarn quality is up to international standards. The best part about the project however, as Jain claims, is that the company has already signed up with buyers in Japan and Hong Kong for a period of five years.

SARVESH GOORHA

Computer Aided Learning Systems Pvt Ltd (CALS), the sister concern of Softek Ltd, has tied up with Datex Corporation Inc of the US to sell "C-NET" networks in India. As a result, Sarvesh Goorha, managing director of CALS, is setting high hopes on hawking local area networking hardware and software for the small and middle scale computer users in the country.

Launching "LANsmart" operating systems recently in Delhi, Goorha said, "So far, networking in India has largely been limited to homogeneous machines but as most offices use different makes of PCs, our systems will provide a much-needed compatible system at a low cost."

[redacted]

"Indian engineering industry is growing fast and we want to have a share of the cake," says Martin Uellner, director, Zahnradfabrik Friedrichshafen AG (ZF) of West Germany. ZF, a Rs.6,000 crore company and a world leader in transmission steering and suspension equipment, is increasing its equity stake in Bharat Gears Ltd (BGL) from 11 per cent earlier to 26 per cent. The reason, according to Uellner, is that with ZF's active association, BGL will make better and-wider range of products



and ZF in turn will help it in exports. Although there is no buyback arrangement, Uellner is certain to lift a large part of BGL's production for the Western market.

DAVID WELLING

The managing director of the confectionery stream of Cadbury Schweppes P/c, UK, David Welling was recently in Bombay to familiarise himself with Cadbury's operation in the country. Apart from visiting the factories at Thane and Induri, Welling



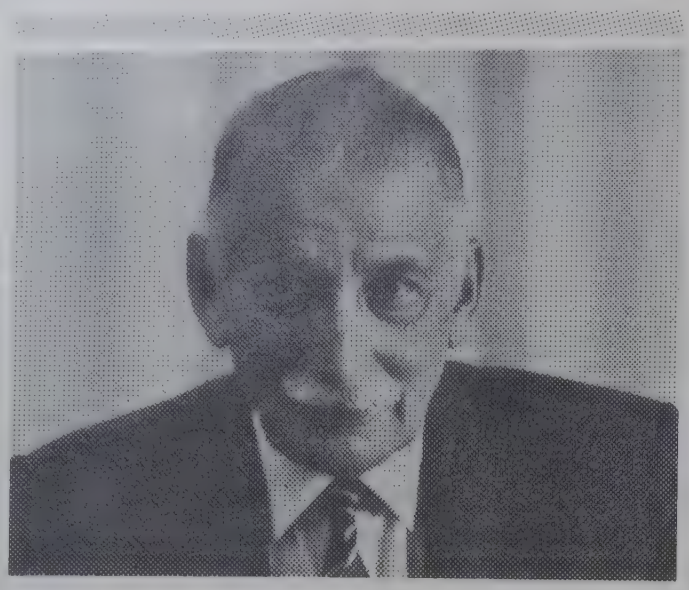
wanted to have a first hand glimpse of the marketplace. Appointed in March 1989 to the board of Cadbury, it was Welling's first visit to the country. Commenting on the performance of Cadbury India's new venture, Dollops ice cream, he said, "The sales have exceeded the yardstick laid down by the company. And so far the picture seems good. But we are planning to introduce more flavours because confectionery needs variety, which is the keyword for success." Welling then went on a round of the Dollops ice cream parlours in Bombay.

BERYL RADIN

As an expert in public administration (PA), Beryl Radin has been favourably impressed with the calibre of public administration officers in India. A professor in PA from UCLA (University of California at Los



Angeles), Berkely, Radin is on loan as a Fulbright professor to the Institute of Public Administration in Delhi for two months. Discussing the organisational structure of the public sector, she feels that unlike homogeneous European states, public sector organisations in countries like the US and India have to function in harmony with diverse political, economic and social considerations. Talking of the performance of the Indian public sector, she says, "You cannot expect an elephant to dance like a gazelle — but the elephant can carry the kind of loads a gazelle can't."



ALUMINIUM INDUSTRY: IMPERATIVES OF GROWTH

Chairman, Field Marshal Sam Manekshaw's address at the Annual General Meeti on 3 August 1990

I have pleasure in welcoming you to the 52nd Annual General Meeting of your Company. The Report of the Directors and the Audited Accounts are with you and with your permission, may I take them as read.

I am sure that the results for the year ended March 1990 have pleased you. For a second year in succession, your Company has posted record sales and profits. Exports have more than doubled. Production too has shown significant improvement.

Another Encouraging Year

A number of favourable factors helped attainment of these splendid results. Exceptional firmness in the prices ruling in the international alumina market, improved power supply to the smelters and a greater degree of deregulation in the industrial environment are some of them. But you will, I am sure, agree with me that all such tides of good fortune help only to the extent that they are seized at the flood. That is why I think that the management of Indal led by Sagar Sachdev deserves our congratulations. The persistence with which the Indal team has pursued asset utilisation, development of new domestic and export markets, improved quality and customer satisfaction indeed deserves high appreciation.

Clear Priorities

What pleases me more is that the record profits have not lulled the Indal team into any sense of complacence. They know that they face a highly competitive, quality conscious and growing market; they realise that they have to increase exports, particularly of value-added products not only for the Company's good but also in the interests of the nation and they understand that you, the shareholders, will expect them to deliver similar or even better results even when conditions are less favourable. It is with this awareness that the Company has drawn up detailed plans to build up its competitive strengths and increase market share in chosen fields where Indal expertise and technology can make a decisive difference.

The aluminium industry in India is undergoing rapid chang New players have come in. The entry of Nalco with its state of-the-art technology in refining and smelting is a very significant event. Indeed, the Nalco management deserve congratulations for the efficient implementation of the proj with its massive infrastructure and sophisticated equipmen for the acceptance of Nalco's products on the London Meta Exchange and for the quickness of their recovery from the recent fire at their captive power plant. Moreover, the easin of the regulatory environment and the shifting of demand patterns are also signs of this change. In fact, the deregulat of aluminium pricing and distribution and the industry's disciplined response carry great significance for the future.

The Changing Market Scenario

Most heartening for the industry is the change that is taking place in the market place. The share of the electrical sector which even a few years ago, used to account for the bulk o consumption, is now being gradually overtaken by the building, architectural, transport and packaging sectors whi are witnessing rapid growth. And simultaneously, the marke has learnt to demand and appreciate quality. These are signals that the intrinsic values of aluminium have now gain wider recognition as a positive substitute for metals and materials which are less efficient, more costly in the long ter and damaging to the natural environment. And in Indal, it is matter of pride for all of us that we have been able to play a key role in these developments at the market place.

Role of Government

It is now up to the Government, which I may add, is actively encouraging the development of this industry and is itself a major player with its two large units Balco and Nalco, to respond to the positive signals from the market by lowering the high excise duties which have, to an extent, restrained, if not distorted, the demand for aluminium. The Government has to realise that this distortion is doing harm not only to th

of energy conservation but also to the forest resources thus the environment of this country. When the whole ld is waking up to the great dangers of unplanned and ton felling of trees, when the best brains of each country sounding warnings of how the depleted forest cover ets the delicate balance of nature, India continues to rely vily on wood. True, we are slowly becoming aware of the gers of irresponsible despoliation of nature. The vernment's step to set up a full-fledged ministry of ironment is a welcome, if belated, step in this direction. my point is this: the cause of the environment would be atly served if we were to make a concerted effort, with the ve help of the Government, to progressively reduce, if not irely eliminate, timber from architecture, construction and nsport, replacing it with aluminium. I would once again peal to the Government, as a first step in this direction, to uce excise duties particularly on aluminium semi-ricated products used in the building, transport and kaging sectors so that the desperately needed rovements can be effected in our transport and packaging tors and the building sector moves away from the use of od.

he Annual Report which is with you, you will have read of r Company's export effort which has resulted in a net eign exchange income of about Rs.53 crores. While this es us all much satisfaction, it needs to be clearly derstood that even though there is significant scope for ort of aluminium semi-fabricated products, that portunity can only be tapped provided the domestic market lf develops a critical mass and high consciousness for lity.

Living up to Our Responsibilities

ainst this scenario, to my mind, we have a responsibility to industry, a responsibility which is part of our heritage and eritance as the pioneer. Indal sees its future role as that of prime mover in expanding the aluminium market through ver and greater use of this metal and its products. To do , Indal has undertaken a modernisation and expansion n which, at today's prices, is expected to cost over Rs.600 res in the next five years.

know well enough that mere investment in hardware, i.e. ipment, will not be enough. Indal is concurrently mmitted to human resources development which will not y involve each and every employee but in many cases, lude the training of the manpower of its sub-contractors, pliers and customers. Indal is aware of the huge ground t still remains to be made up before it can approach the cting standards of world-class manufacture. Our ociate, Alcan Aluminium of Canada, is well on the way to ablishing world-class manufacturing standards throughout Alcan Group of Companies. Indal's on-going access to an technology provides invaluable help in its own efforts to in international standards of product quality and nufacture.

ndal Performance Highlights

	1989-90
es Revenue	Rs. 536 crores
Income	Rs. 58.5 crores
orts	Rs. 69.4 crores

Aluminium Industry & National Priorities

What are then the needs of the hour, particularly with reference to national priorities?

Aluminium, up to the semi-fabricating stage, is a capital and technology intensive industry. This carries three very important implications. First, that for a resource-constrained country like India, every ounce of value that can be yielded from the capital invested must be extracted. Or, what economists call the incremental capital-output ratio (ICOR) must be optimised. To achieve this, we need higher output and value-addition to be not only accepted by the market, but encouraged. That is, I believe, already a reality at home and abroad. To maximise output, regulations relating to licences need to be constantly reviewed so that they do not militate against economic and business sense. Also, such efforts at getting the most out of capital already invested must receive priority for infrastructural support, be it power or water or railway transportation. And where marginal additional investment will unleash major values from blocked capital, not only should such investment be speedily sanctioned, it must be a part of Government economic strategy to actually initiate it. Finally, trade union leaders and their members must honestly re-examine work standards set in the past decades and push their managements towards greater value addition, rather than pull in the opposite direction. The work practices and industrial relations theories of the 70s must not get perpetuated into the 90s. Indian industry has invested a great deal of capital in the last four decades and now, when the country faces its most serious and formidable resource crunch, we must take quick and bold steps to get the most from what we already have.

The second implication of the capital intensive nature of aluminium up to the semifab stage is that direct employment in it will be low. In fact, in view of the technological developments that have taken place and the global standards that have to be met, greater than optimum direct employment generally proves counter-productive and affects quality. On the other hand, there is absolutely no doubt that the growth and sophistication of aluminium semi-fabricating business leading to wider applications and uses sets off a multiplier effect on employment. It is absolutely vital that in evaluating the industry, this indirect employment is given its due weightage.

The third implication is this : aluminium, again up to the semifab stage, does not lend itself to smallness of scale—in fact, narrowing the scale could lead to serious deficiencies in technology. Beyond the semifab stage, of course, aluminium is good material for the small scale industries to work with. These industries, with their greater flexibility, innovativeness and ability to custom design their products have played a major role in the growth of the aluminium industry and its exports. It is worth mentioning that nearly 60% of Indal's customers today are from small-scale industries.

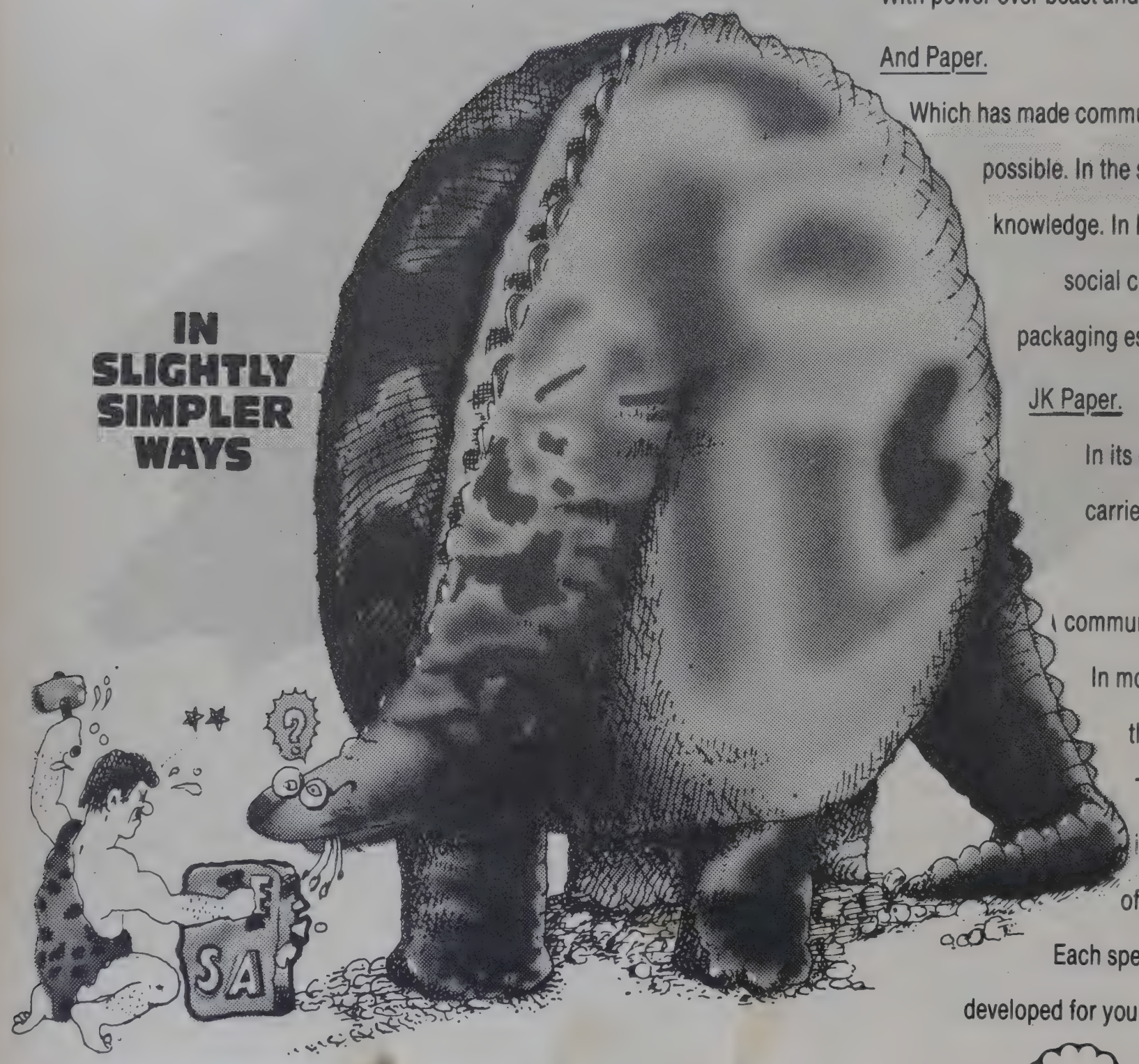
As I said earlier, your Company has taken up a far-reaching plan for upgrading, modernising and expanding its capabilities. This is based on the conviction that while Indal will strive to fulfil its mission to serve its stakeholders which include investors, employees, the Government and society in general, it too, will continue to receive the support it needs from them.

This does not purport to be a record of the proceedings of the Annual General Meeting.

INDAL **Indian Aluminium Company, Limited**

CONTAD 905

JK PAPER CARRIES ON THE MAGIC OF COMMUNICATIO



IN SLIGHTLY SIMPLER WAYS

Communication

The magic which has made man the
undisputed master of the Universe
With power over beast and nature.

And Paper.

Which has made communication
possible. In the spread of
knowledge. In business,
social contact or
packaging essentials.

JK Paper.

In its own way
carries on this
magic of
communication.
In more ways
than one.
Through
its range
of papers.
Each specifically
developed for your needs.

JAYKAY

JK PAPER
A DIVISION OF
STRAW PRODUCTS LTD.

JK BOND • JK AIRMAIL • JK POSTER • JK SUPER COPIER • JK COTE PAPER & BOARDS • JK CREAMWOVE • JK MAPLITHO

F.S. Advertising/JKP/400

WOVEN SACKS

ing piggy-back on cement

dustry which has benefited immen-
m the boom in cement sales is high
polyethylene (HDPE) sacking. Ce-
s packed in HDPE sacks and the in-
is becoming active again.
pects for the industry, whose turn-
as roughly Rs.300 crore last year,
efinitely become brighter. And the
nances of some major units in the
ry reflect this. Bajaj Plastics, the
y's largest manufacturer of HDPE
roke even and made a net profit, the
four years, of Rs.10.82 lakh in
0. Till last year it had accumulated
of Rs.1.62 crore. Kanpur Plastics,
r big unit, has cut its losses to Rs.1
rom last year's Rs.2.5 crore. Rishi
s and Siltap Chemicals too, have re-
losses by 80 and 71 per cent, respec-
n the last year.
ough none of the units except Bajaj
oken even, margins have improved,
les and production have definitely
up. Says M.M. Sud, managing direc-
ellya Plastic Industries Pvt Ltd and
ent, All India Tape Manufacturers'
ation, an association of HDPE sack
acturers, "Capacity utilisation has
p to an industry average of 35 per
demand improved."

demand. In the early eighties,
nits jumped onto the HDPE band-
The low investment requirement
han a crore), cheap raw material
tape) and optimistic demand pro-
s from a growing cement industry
ed over 500 units to the industry.
5, the total installed capacity went
60,000 tonnes, from around 10,000
at the beginning of the eighties.
the Indian Jute Packaging Act
, which stipulated that 70 per cent
ent must be packed in jute bags,
e industry a severe blow. With urea
odgrains already reserved for jute,
ustry lost its only major customer.
units went into the red, around 250
down and capacity utilisation
d to a dismal 25 per cent.
since 1989, several factors have
for the industry. A Central Pur-
Committee was set up to buy bags
blic sector fertiliser plants. The
ttee ordered about 30 million bags
sphatic fertilisers at double the ac-
ce per bag. Though the committee
und up on kickback charges, about
s benefitted from the orderes.

Some units, especially in Madhya Pradesh, also stopped paying the 5 per cent excise duty which was levied when the government classified HDPE bags as a textile item. The industry's claim that the bags are plastic products, and therefore exempt from excise, has also been upheld by the M.P. High Court. The case now rests with the Supreme Court (SC).

The most important turning point for the industry was the sharp increase in demand from the cement industry. Cement units now use HDPE bags for an estimated 60 to 70 per cent of their production. Says a leading cement manufacturer, "In 1989-90 we bought almost a million bags compared to the 650,000 bags last year." The cement industry prefers HDPE because it is cheaper — Rs.4.50 against Rs.6 for jute bags — it prevents wastage and pilfering of cement, and is preferred by consumers. One large cement producer complains, "The jute directive is unconstitutional and ridiculous." The HDPE manufacturers, backed by the cement industry, have filed a case against the Jute Act, which has been pending in the Supreme Court for over a year.

"Things have started looking up since March this year," says H.J. Bajaj, managing director of Bajaj Plastics. The company's production now averages 500 tonnes per month as against 350 last year. In the face of the growing demand from the cement industry, one large cement producer says, "Our offtake of HDPE bags has gone up by 50 per cent since the beginning of this year."

Unremunerative prices. The industry, however, is still in a sorry state. Prices aren't remunerative enough. Competition has kept the prices low at about Rs.4.15 to 4.30 per bag. Says B.P. Choudhury, director, Auroplast, "Too many suppliers are chasing too few buyers." Exports too have proved to be unviable because of competition from China and Taiwan.

The industry itself fears that the present improvement is only temporary. "Although the downtrend has been checked, almost no one has broken even and things may get worse," says Harshad Patel, managing director of Rishi Packers. There is also the overriding fear that the government may implement the Jute Act more strictly keeping the expected bumper jute crop in mind. Some, like Choudhury, are optimistic that the industry will win the case against the act. If it loses the excise case pending with the SC now as well, a number of units may have to fork out large amounts of money and may well be wiped out. Fears of HDPE prices skyrocketing due to the Gulf crisis are also evident.

Clearly, the industry's fate is precariously balanced. The SC's verdict, the jute lobby's pressure, and the cement industry's support will be the deciding factors.

■ SUDESHNA SEN



Growing demand, but the improvement may be only temporary

Some of the world's most active people spend half their lives sitting.



Wood Carver activity chairs help you keep pace.

Now, you can conduct your activity in great comfort with Wood Carver's activity chairs.

Scientifically crafted and ergonomically designed, Wood Carver's activity chairs are available in a range of shapes and colours.

Choose from over 40 options. Chairs for Chairman, Chief Executives, Visitors, Staff, Computer Rooms...



WOOD CARVER

ACTIVITY CHAIRS

Homi Modi Cross Street, Opp. Stock Exchange Post Office, Fort, Bombay-400 023. Gram: 'Anandwood' Phones: 274480/274864.

Authorised dealers: MADRAS: M/s. Arvee & Company, Sri Sankara Hall, 267, Mowbrays Road - 600 018. Tel: 453125. NAGPUR: M/s. Regency Decor, Prakash Palace, Near Dhantoli Park, Nagpur - 440 012. LUCKNOW: M/s. Kaysons Furnishing, 48, Hazratgang - 226 001. Tel: 48200/33836. JAMSHEDPUR: M/s. B.D. Mehta & Sons, Opp. Ram Mandir, Main Road, Bistupur - 831 001. Tel: 29773.

APEX 90282

N ENTREPRENEURS

ing well

achivalaya Gymkhana in Bombay
lively look last fortnight as 40 wo-
ntrepreneurs congregated on its
ses to sell their wares. Organised by
sociation of Women Industrialists/
preneurs of Maharashtra (WIMA),
hibition had mainly garments and
hold aids on display — items that
be produced at home. "We have
ers who are involved in electronics
dustrial products," says Sunanda
president of WIMA's Bombay
, "but 80 per cent of our members
usewives."

up in May 1985, WIMA has 400 mem-
ll over Maharashtra, with its head
in Pune, and branches at Bombay,
gabad, Nasik and Dhulia. The Na-
Alliance of Young Entrepreneurs
E), of which WIMA forms a part, pre-
the organisation with a national
in 1988 for promoting entrepre-
nip among women. According to
erson Prabha Thakar, WIMA aims
lp 1,000 women all over Ma-
tra.

ding a forum. WIMA's main objec-
to provide a forum for members and
p them sell their products. As
a Ghole, secretary of the Bombay
h put it, "marketing is the main
m". WIMA also has training pro-
nes.

ing conducted approximately 20
tions, the association held its first
evel convention of women entrepre-
of Maharashtra on its fifth anniver-
is May. "The women had good ideas
ir projects," observed a bank offi-
ho attended it, "but they needed
nce. Many, for example, did not
ow to prepare feasibility reports, or
existence of counselling centres,
s the ones run by Mahila Arthik
Mahamandal (MAVIM)."

year, the Industrial Development
of India (IDBI) set up the Mahila
Nidhi (MUN) and Mahila Vikas
(MVN) schemes to help such entre-
rs. The former provides 15 per cent
assistance for new units with pro-
st not exceeding Rs.10 lakh. Eligible
reneurs are required to bring in a
contribution of 10 per cent, and al-
to retain central or state invest-
subsidies, if any, to meet working
requirements. The MVN scheme
s aid to voluntary agencies in de-



The WIMA exhibition: providing a forum for members

centralised industries for training-cum-production centres and management and skill upgradation.

There is also a third scheme, under which indirect loans are given through state finance corporations and state industrial development corporations. In 1989-90, 563 units promoted by women were provided aid totalling Rs.20.1 crore, as against Rs.10.4 crore in the previous year for 323 units. The schemes have since been transferred to the Small Industries Development Bank of India (SIDBI), a subsidiary of IDBI set up on 2 April.

Bombay-based Sharayu Lele, one of WIMA's earliest members, was among those who benefited from IDBI aid. Ten years ago, with an initial investment of Rs.5 lakh, she started a computer data centre with hand punches and hired IBM machines. Today, with a Rs.10 lakh turnover, she has acquired 20 Uptron data entry machines, and has clients like Air India, State Bank of India and Datamatics.

WIMA received IDBI aid to the tune of Rs.4 lakh in August 1988, for the development of the WIMA bazaar in Pune. Of this, Rs.1 lakh was in the form of a grant, and the rest, a soft loan. In addition, SIDBI sanctioned Rs.15,000 for the May convention.

Industrial estates. WIMA is currently working towards the establishment of industrial estates in New Bombay and Hadapsar. So far, 60 women have booked space for products including garments and electronics. Among those looking for more room is 55-year-old Indu Kothari who, with a mere Rs.500 in 1983, began manufacturing cockroach repellent at home. With a Rs.5 lakh turnover now, she has been felicitated at the WIMA convention and has also received the 1989 Maharashtra Chamber of Commerce award.

As WIMA works on concrete plans to acquire land for the industrial estate, its exhibitions continue to receive the enthusiastic support of its members. Kothari values the direct contact with consumers that the exhibitions provide and, according to Pragnya Mestry, who provides folding ladders and trolleys to department stores, the major advantage is that you deal in cash, not credit.

Meanwhile, WIMA wants the state government to make 15 per cent of its purchases through women entrepreneurs; also that banks should remove the condition of a guarantor in their case; and that the definition of a woman entrepreneur be changed. Also, so far only women with 50 per cent investment and employing 50 per cent women are eligible for government concessions; the women entrepreneurs want these percentages reduced. The government, in the meanwhile, has agreed to allot land for the industrial estate, and also to consider WIMA's recommendations.

■ MENKA SHIVDASANI

In vogue

"Fine feathers make fine birds," notes a hoary proverb on dress. If one were to judge the rag trade by the profusion and apparent prosperity of fashion magazines, feathers have seldom been finer.

DRILLING holes for geological prospecting to a depth of up to 3,000 m, both vertical and inclined, in rocks of any drillability index

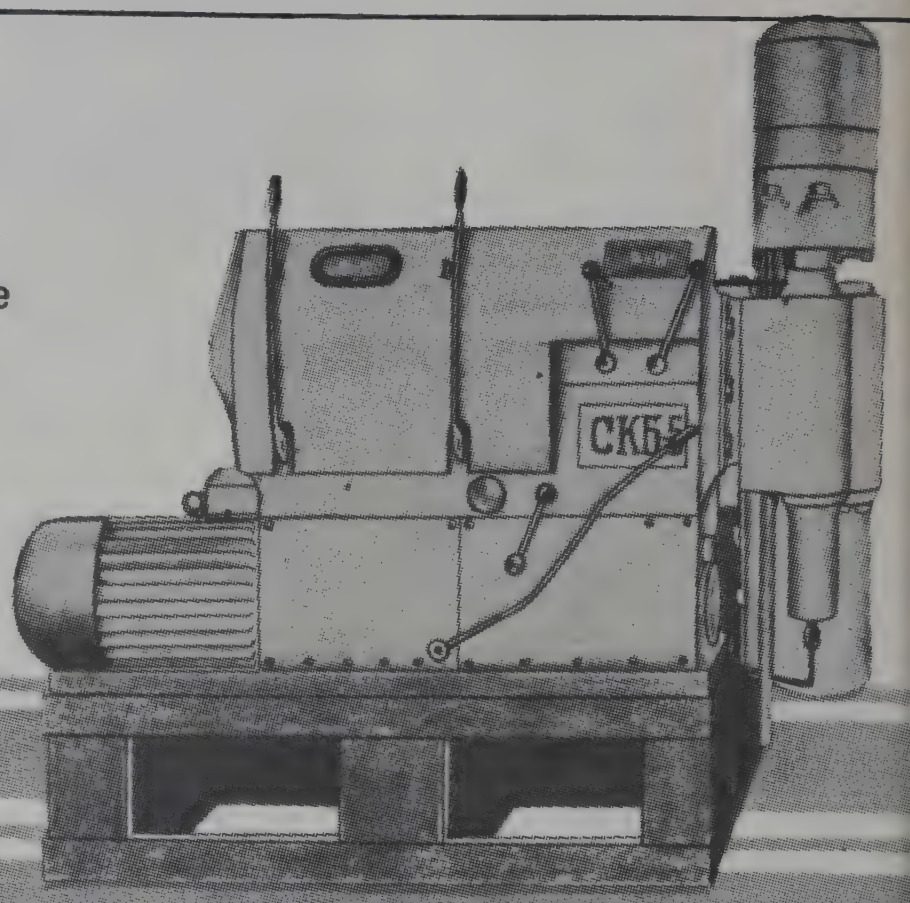
WILL NOT BE A PROBLEM, IF YOU HAVE

DRILLING RIGS

SKB-5, SKB-7 and SKB-8.

Drilling rigs of this class are characterized by:

- a wide range of rotational speeds of the spindle and rotary table;
- unitized construction of drilling rigs' units;
- realiability and safety in operation.



The addition, the SKB-5, SKB-7 and SKB-8 drilling rigs are equipped with modern instrumentation that makes it possible to control drilling parameters.

sokhem™

For more information, please apply to:

V/O CHIMMASHEXPORT
25 Bezbozhny Per., 129869 Moscow, USSR.
Telephone: 288-36-90 Telex: 411032 SOKEM

he marketing" figures prominently in marketing gospel of the nineties and azine publishers have been quick to n on. The newest niche has been for- in the glamorous world of high fash- Glossy catalogues printed on ensive art paper with premium price- are following the boutique boom that veeping Indian cities.

ery little effort, apparently, is required utting together these catalogues. Says esh Kejriwal of *Dress Age*, a catalogue luced by Parksons Printers and Harley tique, "We had nothing to lose. The nes were designed by Harley and we the printing. It was a small invest- t." The Bombay-based India Book se launched *Design 2001* "to cash in ne success of existing catalogues," ad- managing director Padmini chandani. To set *Design 2001* apart, ven greater emphasis was laid on lay- and design, and professional models nstars too!) and photographers are spicuous.

tricted market. The initial response *esign 2001* has been positive: even at 0 per issue it has sold over 10,000 es. While most of the designs in *Dress* were provided by Harley, Kejriwal re- ed that the catalogue lacked variety. eight pages in the magazine are de- d to jewellery while 'boutique spon- hips' are also permitted at Rs.5,000 page. Apart from these two, there are ral would-be Indian Vogues, like *Hi- ion* and *Libas*, but they barely man- to stay afloat — the market is re- ted to tailoring establishments and boutiques and only a few copies are bought by individuals. Catalogues, meanwhile, are being increasingly viewed as a vehicle to promote sales by boutique owners.

But the small market, which is up-to-date on the very latest in glitzy couture in the West, is no deterrent to new entrants. Last year Business Press Private Limited launched *Glad Rags*, a bi-monthly fashion magazine for women. The magazine's editor is Maureen Wadia, wife of Bombay Dyeing's chairman, Nusli Wadia. She says she was motivated by leafing through a dummy fashion catalogue.

Tracking sartorial trends is proving to be a colourful, and lucrative, addition to a magazine or newspaper's editorial mix. City publications put together regular fashion supplements, which made it difficult for Wadia to sell *Glad Rags* for Rs.25 a copy. But she is optimistic about the future: "People will definitely pay for a magazine that has class." *Glad Rags* celebrated its first anniversary early this year, and now has a readership of 25,000. Copies have even found their way to Singapore, UK, Thailand and the US.

For Minhaz Merchant of Sterling Newspapers, clothes do not make the man any more, even less the bottom-line. The newsprint hike forced Merchant to discontinue publication of *GFQ* last year. It was the first men's fashion magazine which was launched as a bi-monthly in 1982 and reached a maximum circulation of 25,000 copies. *GFQ* was to be a complementary publication to *Gentleman* and absorb the latter's advertisement overflow. It was a *desi* version of the popular American *GQ*. *GFQ* no doubt established itself in the market, so Merchant is planning a comeback: a total re-vamp and re-launch this Diwali.

■ MAHIRA HASSANALI



ion mags: glossy accompaniments to the boutique boom

VENTURE CAPITAL

Enter GIIC

There is little doubt that the 20-year-old Gujarat Industrial Investment Corporation (GIIC) has done much to foster enterprise in the state. In fact, even the success story of Reliance Industries can be traced back to the first major loan of Rs.20 lakh sanctioned by GIIC in 1969-70. Other beneficiaries include Gujarat Ambuja Cement Ltd, Gujarat Setco Clutch Ltd and Gujarat Binil Chemicals Ltd.

In keeping with its 'high risk financing' ethos, GIIC has launched a venture capital finance scheme, to be managed by its new company, the Gujarat Venture Capital Finance Ltd (GVFL) incorporated on 2 July 1990. According to P.G. Ramrakhiani, managing director of GIIC and chairman of the board of GVFL, "Our entry into venture capital funding speaks volumes of GIIC's progress in the area of encouraging enterprise in unconventional areas."

Second in line. GIIC is the second state level institute selected by the World Bank and IDBI to promote the scheme, the first being the Andhra Pradesh Industrial Development Corporation (APIDC). A trust amount of Rs.24 crore is to be managed by GVFL. The World Bank will invest 33 per cent in the trust, ie, Rs.8 crore. Of the remainder, Rs.4.50 crore will be funded by IDBI; Rs.4.50 crore by GIIC; Rs.1.20 crore by UTI; Rs.25 lakh by IPCL; Rs.25 lakh by the State Bank of Saurashtra and Rs.5.30 crore by others.

"An outstanding feature of the scheme," according to Vishnu Varshney, chief executive of GVFL, and former CEO of GIIC's project division, "is that it has no fixed locations." Any project in the country, which satisfies the prescribed norms and the World Bank guidelines, is eligible for assistance from GVFL.

The new company aims to promote entrepreneurship in several unconventional areas. It will assist the launch of new products and processes based on indigenous or imported knowhow and technology. Innovations that enhance operational profitability, cost-reduction, quality and

energy conservation will also be promoted.

Initially, projects requiring finance between Rs.60 lakh to Rs.2 crore will be eligible for assistance under the scheme. GVFL expects to disburse Rs.8 crore in the current year and the balance Rs.16 crore in the following two years. The response has been encouraging, the company having already received some ten proposals dealing with software development, dye manufacturing, biotechnology, and electronics. "The entire amount may be disbursed even earlier," says P.P. Vora, executive director for finance, GIIC.

As is the practice with venture capital financing worldwide, GIIC will fund projects through equity participation. But, to ensure that the day-to-day control and management of the enterprise remains with the promoter, GIIC will limit its equity holding at a level slightly lower than that of the promoter.

Sudden peak. "Typically, successful high risk ventures achieve a sudden peak after a gestation period of about five years. This is when our earnings through royalty returns will justify our initial low security investments," explains Vora. The high rate of returns at that time will offset the high mortality rate of such ventures, placed conservatively at about 30 per cent.

Apart from finances, GIIC will also provide the requisite management and technical support, whenever necessary. For this purpose, a panel of financial and management experts, as well as technocrats and scientists, will be maintained.

In every case, GVFL will withdraw its support, in consultation with the promoter, in a phased manner. Disinvestment of equity will be undertaken only after the project turns profitable and conditions indicate a secure future for the enterprise. That is the stage at which the new venture can seek conventional financial assistance from banks and other financial institutions. Also, the first option for a buyback will be made to the promoter.

"We hope to earn substantially on our pattern of equity participation for new companies," says Vora. "Since most of the venture capital concerns will be in the area of high technology, their profitability after the initial gestation period will grow at compound rates."

Much of GVFL's success though, will depend on its ability to attract and assess entrepreneurial skills especially since most entrepreneurs today remain wary and unsure of venture capital financing. Financial institutions, in turn, have to exercise considerable selectivity in rating projects. But, given the energetic business climate of Gujarat and GIIC's proven success in aiding beginners, one can safely expect GVFL to have more than a fair chance of success.

■ NEERA SETHI

PHARMA INDUSTRY

An uneasy calm

At best, it's a temporary truce. The drug industry and the ministry of petroleum and chemicals are still at loggerheads over the recent curbs on drug prices. The industry had called for a two-day *bandh* on 7 and 8 August, but postponed it for about a month after petroleum and chemicals minister M.S. Gurupadaswamy assured industry representatives that he would look into their problems. Members of a joint council formed of the four biggest trade associations to plan and co-ordinate the *bandh* announced that they were delaying the strike because Gurupadaswamy had agreed not to bring more drugs under price control, to take actual costs into account while fixing prices, to rectify any mistake in the list of 26 drugs recently placed under price control, and to drop the proposal to merge the two categories of price controlled drugs into one.



A pharmaceutical plant: back to square one

However within 24 hours of the *bandh* being put off, Gurupadaswamy denied that he had given any specific promises. On the contrary, he charged that the drug firms were spreading wrong information to win support for their agitation. When officials of the joint council rushed back to Delhi on 7 August, M.S. Gill, secretar petroleum and chemicals, told them r "read too much" into the minister' nial.

Next move uncertain. Now everyo uncertain about what to do next. *bandh* has been postponed, but not celled," says N.I. Gandhi, president o Indian Drug Manufacturers' Associa (IDMA), which has over 900 mem But Kishore Shah, chairman of the council, and general secretary of th India Organisation of Druggists Chemists, is more optimistic. "We hop will not have to stage a *bandh* at all," Shah, and points out that price revis kept pending for months are now b cleared rapidly.

Shah has strong reasons for seekin amicable settlement. A two-day *ba* would have cost the country Rs. 18 cro Rs.20 crore in production losses, n mention a serious erosion of public pathy. "They can stop production of s medicines if they find it unviable, b countrywide agitation is uncalled f says Yusuf K. Hamied, managing dire of Cipla Ltd, which left IDMA a few ye ago. Hamied has however not yet deci what to do if the joint council calls f *bandh* again.

The industry is closely watching government's moves. "We are monitor the situation every week," says a mem of the joint council.

So it is back to square one. But one th seems clear. As the month during wh the drug industry has decided to m time slowly comes to an end the j council faces a long and messy strug with no easy solutions in sight.

■ SUMIT GHOS

WHY ENVIRONMENTALLY CONSCIOUS COUNTRIES GO IN FOR NUCLEAR POWER.

ntrary to the news you might read ar, many of the environmentally ious countries in the world depend clear power significantly for their ricity generation. At present about of the world's electricity is rated through nuclear sources. For ple, Japan, inspite of the trauma of shima and Nagasaki in 1945, as well generally high seismicity, has as as 38 nuclear plants generating 0MWe. USSR, even after its 1986 nobyl accident, continues to ate 56 units producing 33,000MWe. USA, despite its 1979 mishap at e Mile Island has 110 units in ation giving 1,00,000MWe. e conclusion to be drawn is that aps like Chernobyl and Three Mile d are very rare occurrences. In l fact, the nuclear power industry n excellent track record of safety... n is internationally accepted.

clear Power is ironmentally clean.

clear source is clean, compact and entrated. ***Clean*** – for minimal ct on the environment, compared to commercial energy generating ces. There are no effects of acid rain o emission of Sulphur dioxide), Carbon dioxide (CO_2), Nitrogen e (NO_2), or heavy metal pollutants. nstallation of nuclear power plants ves minimum land requirement and mum displacement of local lace. ***Compact*** – because it is able in the form of fuel bundles, h, once loaded in the reactor core, ide energy for 1½ to 2 years at a ch before discharge. ***Concentrated*** – e kg uranium gives energy valent to 25,000 kg of coal even at tilisation in today's first stage nal neutron reactors. This can be ed up to 60 to 70% utilisation in der reactors. Which means one kg ium would then give energy valent to two million kg of coal. hat's more, for India, it represents ditional generating source of ricity. Hydel and coal resources not g evenly distributed geographically, ear sources help overcome this ation. Nuclear power plants can be lled in locations even remote from l and coal resources.

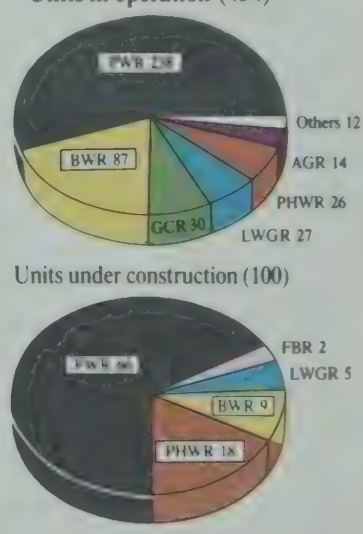
actor types in operation l under construction (as une 30, 1989).

uclear reactors are classified rding to the fuel, coolant and erator used to support the nuclear chain reaction. There are mainly five types of reactors : Pressurised Water Reactors (PWR); Boiling Water Reactors (BWR); Pressurised Heavy Water Reactors (PHWR); Gas Cooled Reactors (GCR) and Liquid Metal Cooled Breeder Reactors (LMBR).

There are 434 units in operation in 26 countries with a capacity of 316,000MWe and 100 units under construction with a capacity of 80,000MWe. Typewise distribution is as follows:



PWR – Pressurised Light-Water-Moderated and Cooled Reactor
BWR – Boiling Light-Water-Cooled and Moderated Reactor
LWGR – Light-Water-Cooled, Graphite-Moderated Reactor
PHWR – Pressurised Heavy-Water-Moderated and Cooled Reactor
AGR – Advanced Gas-Cooled, Graphite-Moderated Reactor
GCR – Gas-Cooled, Graphite-Moderated Reactor
FBR – Fast Breeder Reactor



Courtesy: International Atomic Energy Agency (Vienna)

NPC. Taking the nation progressively forward.

To achieve a better standard of living today and to conserve our dwindling energy reserves for future generations, we would need an optimal mix of thermal, hydel and nuclear sources for fuelling India's growth needs. India has chosen PHWR type as the mainstay of its Nuclear Power Programme because it is best suited to Indian conditions. This will help us harness the power of the atom. To achieve self-sufficiency in power generation for generations to come.

NPC.
Fuelling a powerful future.

NUCLEAR POWER CORPORATION
(A Govt. of India Enterprise)
Centre No.1, 16th & 20th Floor,
World Trade Centre, Cuffe Parade,
Bombay – 400 005.

Issued for public information by the Directorate of Environment and Public Awareness – Nuclear Power Corporation

TWO WAYS TO KEEP
A PISTON
OUT OF YOUR MIND:
PUSH IT OVER A CLIFF.
OR USE CASTROL GTX.



Chances are, you'll never have to worry about pistons or any other complicated thing-a-ma-jig in your engine if you use Castrol GTX.

Because Castrol GTX is not your ordinary engine oil.

It contains sophisticated additives that actually protect and prevent your hi-precision engine from damage and also ensure engine efficiency.



And now for a short course on a subject they don't teach you at driving school .

Your engine oil.

Why does an engine need oil?

Primarily for lubrication. In addition, an oil should cool, clean and seal your engine, and protect it from internal rust and corrosion.

And here's where the presence of right additives makes all the difference.

In many cases, the difference between the life and death of an engine.

Which is why you should use only Castrol GTX. Because it's a blend of an international formula of sophisticated additives. Which enables it to take on the precise shape of the many moving parts in your engine, clinging to those parts, thin in the cold, thick in the heat, cooling, smoothing, protecting, pliant as liquid, tough as steel, always busy under stress. In fact, oil is too small a word for Castrol GTX. That's why Castrol calls it Liquid Engineering.

If you want to know more about how an engine oil protects your engine, mail us the coupon below.



INDROL Castrol

NAME: _____

ADDRESS: _____

_____

(MAIL TO: MADHUKAR PATIL, INDROL LUBRICANTS AND SPECIALITIES LTD., WHITE HOUSE, 91 WALKESHWAR ROAD, BOMBAY400 006.)

LINTAS IND P 7 28 40

LIQUID ENGINEERING FOR YOUR CAR



Club Select

A tribute to the fine art of conducting business

Rembrandt captured on canvas, the rich hues of business life in bygone days. Now Club Select at Hotel Holiday Inn Crowne Plaza recreates the same magnificence for the business managers of today.

The master strokes are unmistakable... in the two floors of deluxe rooms and suites; in the state-of-the-art business centre; the exclusive Club Select reception; and the luxurious Club Select lounge... creating an altogether select environment, a perfect complement to your style.

Club Select has been designed with business artistes like you in mind. Every little detail has been carefully considered. The result is a contemporary classic, that pays a rich tribute to the connoisseurs of business.

Holiday Inn
CROWNE PLAZA®
NEW DELHI

Barakhamba Avenue, Connaught Place, New Delhi-110 001. Tel : 3320101 Telex : 031-61186 HIND IN Telefax : 3325335/3316163

Bombay Instant Reservation & Sales Office

Tulsiani Chambers, 6th Floor, Nariman Point, Bombay-400 021. Tel : 2873050, 231764 Telex : 0118-3300 HICP IN

The World's First Choice

EHOUSING UNITS

hollow victory

environmentalists have won their bat-
o prevent chemical traders of Bombay
putting up a giant warehouse in the
ely populated Antop Hill area in the
ern part of the city. The traders who
grouped themselves under the ban-
of Antop Hill Warehousing Company
(AHWC) planned to use the Rs.34-
e facility to store, among other mate-
, a large number of hazardous and ex-
azardous chemicals.

usiness India (22 September 1986)
revealed these
s to the public
the first time
ng that this
d endanger the
of over 1.5 mil-
people living in
vicinity. In its
e several writ pe-
ns were filed in
Bombay High
rt and the Su-
ne Court seek-
a halt on the
ect. But last
night, the Su-
ne Court ruled
the project
d go ahead and
ved only 55 non-
rdous chemi-
to be stored on
premises. These
nicals were se-
d by a commit-
headed by Dr
Garg, a director
BARC, Bombay
appointed on
orders of the
t.

**ntions unre-
ed.** However,
ry for the environmentalists has been
ered hollow by the fact that the
t's verdict does not specify where the
rdous and extra-hazardous chemi-
should be stored. In the absence of
concrete suggestions they will, pre-
ably, continue to be stored in the
ers' offices and godowns in the other
ily populated Kalbadevi area in cen-
Bombay. This leaves unfulfilled the
nal intention of setting up the AHWC
o shift chemical storage from the
ded Kalbadevi area.

The environmentalists too are not satisfied with the Supreme Court ruling. Says M.C. Mehta, a Supreme Court lawyer who had filed the main petition, "Though chemical experts agree that these 55 chemicals are not hazardous, there are several factors that make their storage at Antop Hill dangerous."

Several of the specified chemicals are not hazardous in themselves, but they are combustible. With an Indian Oil depot adjacent to the warehousing complex site, the possibility of fire can never be discounted. "And in case of fire, most of these non-hazardous chemicals will serve as a catalyst, increasing the risk to the 1.5 million odd population in the neighbourhood," says S. Purushottama, an expert with the Loss Prevention Association of India.



AHWC project site: potential hazard

The Supreme Court order also mentions the high tension power transmission lines running close to the site of storage. The Supreme Court has directed the state government to take "such steps as are necessary to eliminate the apprehensions of fire from the high tension wire..." But what the environmentalists fear most is the lack of proper monitoring of the units that will be storing the chemicals. Asks Mehta, "What prevents an individual unit holder from storing a few drums of hazardous or even extra-hazardous chemicals in his godowns?"

Clarity one-sided. J.N. Guzder, the noted industrialist and chairman of AHWC is clear about the company's role in monitoring the units. Says he, "When asked by the Garg committee, we pointedly refused to take the responsibility of policing these units. Our job ends with the construction of the warehouse." The responsibility of monitoring the units, according to Guzder, lies with the allotment committee which will comprise four representatives of the chemical industry — Chemical and Alkali Merchants Association, Bombay Kariana Colour and Chemical Merchants Association, Chemical and Drugs Manufacturers Association and Indian Chemicals Manufacturers Association — and two from the Bombay Municipal Corporation; the chief fire officer and the deputy city civil engineer (environment, sanitation and projects). "The latter two, will however, have the power to veto allotment and monitoring of the units," adds Guzder.

Bombay Municipal Corporation's deputy city engineer, V.S. Mahajan, agrees that the allotment of the units will be decided between him and the chief fire officer, but denies that the responsibility of monitoring the units is with the BMC.

Though the government's efforts to restrict storage of non-hazardous chemicals in warehouses is laudable, what is required is a more pragmatic and foolproof method of monitoring the units. Also, there is a need for concrete plans to set up warehousing facilities to store hazardous chemicals in safer places away from densely populated areas.

■ SHEKHAR GHOSH

HOW TO MAKE MORE MONEY WITH YOUR MONE

...in the stock market and other personal investment opportuniti

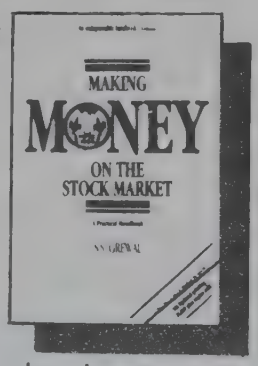
The real secret is to first learn, then invest, then go on learning," advises Merrill Lynch, America's leading money-management firm.

Truly, the more you know, more the money you make—through more profitable investments, wiser savings, effective tax planning. Take the stock market, for instance. Over 100 companies have been consistently giving their shareholders annual returns of 20%-40%. Yes, that is the kind of money you can make with your money armed with the know-how and skills these best sellers offer.

The # 1 manual for stock market investors.

MAKING MONEY ON THE STOCK MARKET S.S. Grewal

A PRACTICAL HANDBOOK



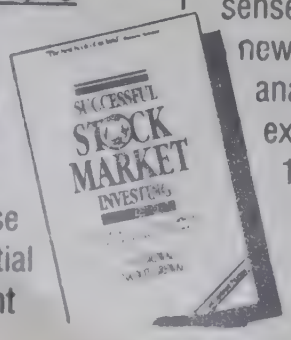
Chock-full of practical guidance on how to assess the worth of a company and determine the correct price of a share, how to spot windfall opportunities and make money in public issues.

"Indispensable" *TRIBUNE*

Key skills for stock market investors

SUCCESSFUL STOCK MARKET INVESTING

S.S. Grewal & Navjot Grewal



How to interpret and utilise P/E ratios; cash in on preferential allotment; interpret investment information. Plus, an up-to-date ready-reckoner of high performance companies.

"The best book of its kind"

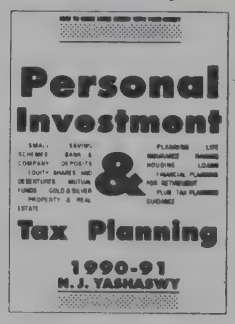
BUSINESS STANDARD

Your complete personal investment planner

PERSONAL INVESTMENT & TAX PLANNING 1990-91

NEW

N. J. Yasaswy



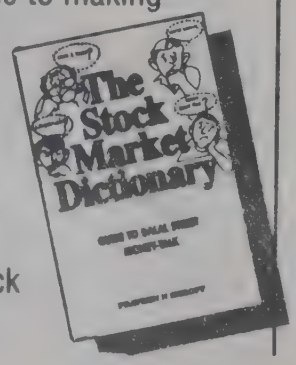
Each and every personal investment option evaluated to help you select the ones that fulfil your criteria of income, appreciation, safety and tax savings: small savings schemes, bank & company deposits, shares, debentures & mutual funds, property & real estate, gold & silver. Also, practical guidance on life-insurance, personal loans & tax-free incomes.

Mastering stock market news and analysis...

THE STOCK MARKET DICTIONARY Praveen N. Shroff

NEW

GUIDE TO DALAL STREET MONEY-TALK

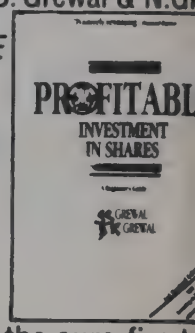


An indispensable guide to making sense of investment news and expert analysis. It clearly explains nearly 1000 often used, and often confusing, stock market terms.

The Bible for new investors

PROFITABLE INVESTMEN IN SHARES S.S. Grewal & N.G

A BEGINNER'S GUIDE



If you want to profit from the stock market, but don't quite know how to begin, this is just the book for you : all the sure-fire t needed for a confident and profitab start.

"Positively rewarding"

FINANCIAL EXPR

HOW TO MAKE RIGHTAWAY 20%

For the invaluable know-now and sk these books offer you, they are sup value for money anyway. But as an added bonus you get a whopping 20 off when you order 2 or more books

VISION BOO
36-C, Connaught Pl
NewDelhi-110 001.

YES I want to make more money with my money. Rush me by VPP:

(Please tick appropriate boxes)

- ☐ Personal Investment & Tax Planning 1990-91 65/
- ☐ Making Money on the Stock Market 55/
- ☐ Successful Stock Market Investing 55/
- ☐ Profitable Investment in Shares 40/
- ☐ The Stock Market Dictionary 45/
- ☐ (Mailing & handling charge Rs. 6/-book)

Since I am ordering two or more books. I am entitled to a 20% discount.

Name _____

Address _____

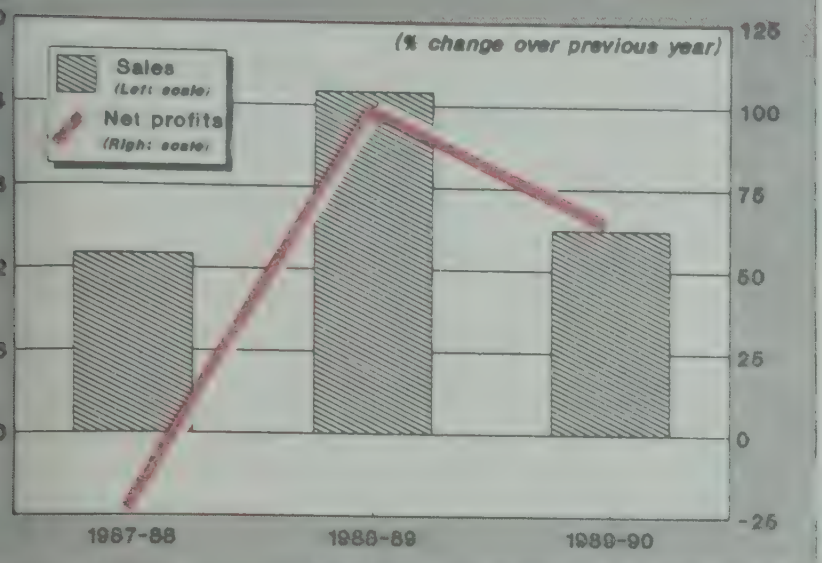
_____

_____

Signature _____

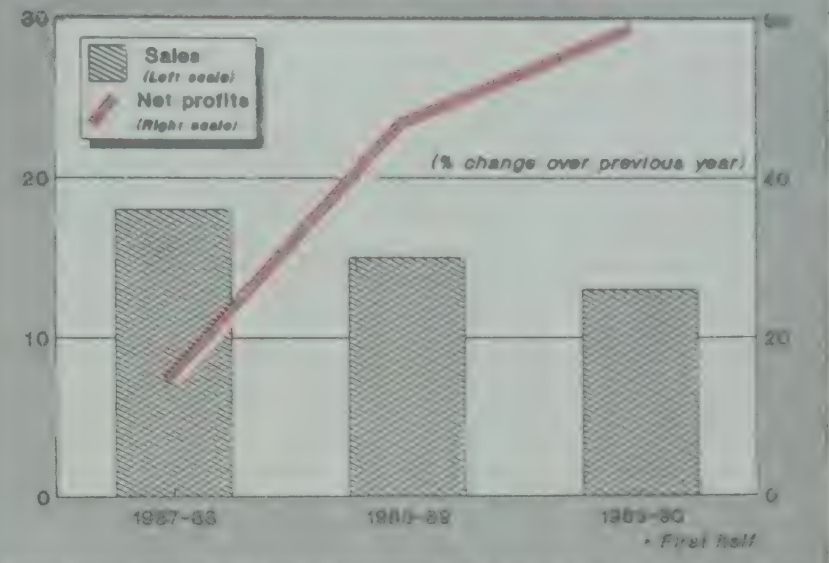
Rush your coupon to: **VISION BOOKS**
36-C, Connaught Place, NewDelhi-110 001 (09

Private industrial companies: sales & profits



gross sales (current prices) of 1,063 industrial companies analysed by the CMIE, ncreased by 25 per cent during 1988-89. Net profits, on the other hand, are up by er cent. A survey of some 158 companies indicates that 1988-89 was an excep- l year. Net profits for 1989-90 went up by 65 per cent.

Public sector units: sales & profits



In recent years, even public sector enterprises are beginning to look up. While sales have been increasing at a slower rate, profits are rising sharply. In value terms, net profits of BPE-covered enterprises were Rs 2,984 crore in 1988-89 (of which petroleum companies contributed Rs 2,364 crore). The first half of 1989-90 too indicates a sharp increase in net profits.

lesale price index: The all-commodity price index was up by 1.1 ent in the month under review, largely due to the sharp increase ices of primary articles. For instance the price of oilseeds is up 7 per cent and that of cereals by 4.8 per cent.

(1980-81 = 100)

	14 July '90	16 June '90	15 July '89	% change over month	% change over year
mmodities	177.1	176.0	163.5	1.1	8.9
ry articles	182.5	178.1	163.5	2.4	11.6
factured products	177.9	176.7	164.9	0.6	7.8

ey and banking (scheduled commercial banks): Broad ey (M3) is up by only 0.8 per cent, in keeping with government y to curtail inflation. Both aggregate deposit and bank credit up only marginally.

(Rs. crore)

	13 July '90	25 June '90	14 July '89	% change over month	% change over year
money (M3)	2,39,403*	2,37,556†	2,04,482‡	0.78	17.0
gate deposits	1,72,983	1,71,628	1,47,807	0.79	17.0
credit	1,04,606	1,03,837	89,023	0.74	17.5
credit	3,933	3,917	1,579	0.41	149.1
/deposit	60.47	60.49	60.23	– 0.03	0.4

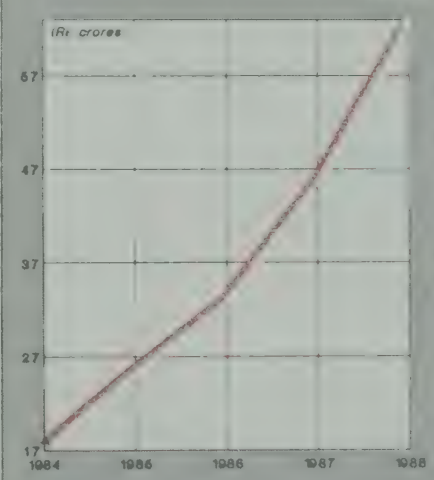
ne 1990 † 30 May 1990 ‡ 30 June 1989

ion price and stock market index: The unrest in the Middle- has pushed up demand for gold and silver, which is reflected in responding price increase. The BSE index has also soared to 6, a hefty 13.6 per cent increase for the month ending 11 August .

	11 August '90	14 July '90	10 August '89	% change over month	% change over year
(Bombay)	3,375	3,300	3,100	2.2	8.8
(Bombay)	6,975	6,776	6,831	2.9	2.1
ndex (1978-79 =	1,046.3	920.2	706.8	13.6	48

of gold in rupees per 10 gms and silver in rupees per kg.)

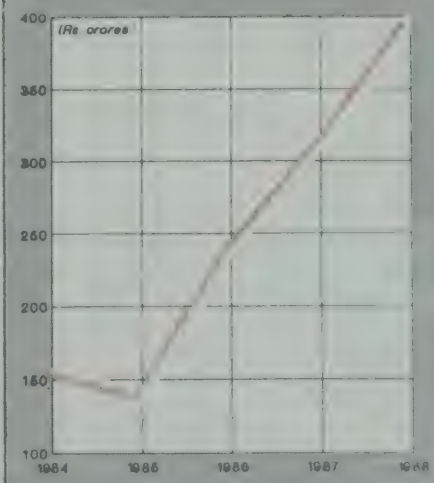
Electronics industry



The electronics industry has grown rapidly over the past few years. Total production has increased from Rs 3,316 crore in 1986 to Rs 6,300 crore in 1988. Within the electronic industry, areas which have experienced maximum growth are consumer electronics, computers and components. Total direct employment in electronics (excluding software) has grown from 13,00,000 in 1981 to around 25,00,000 currently.

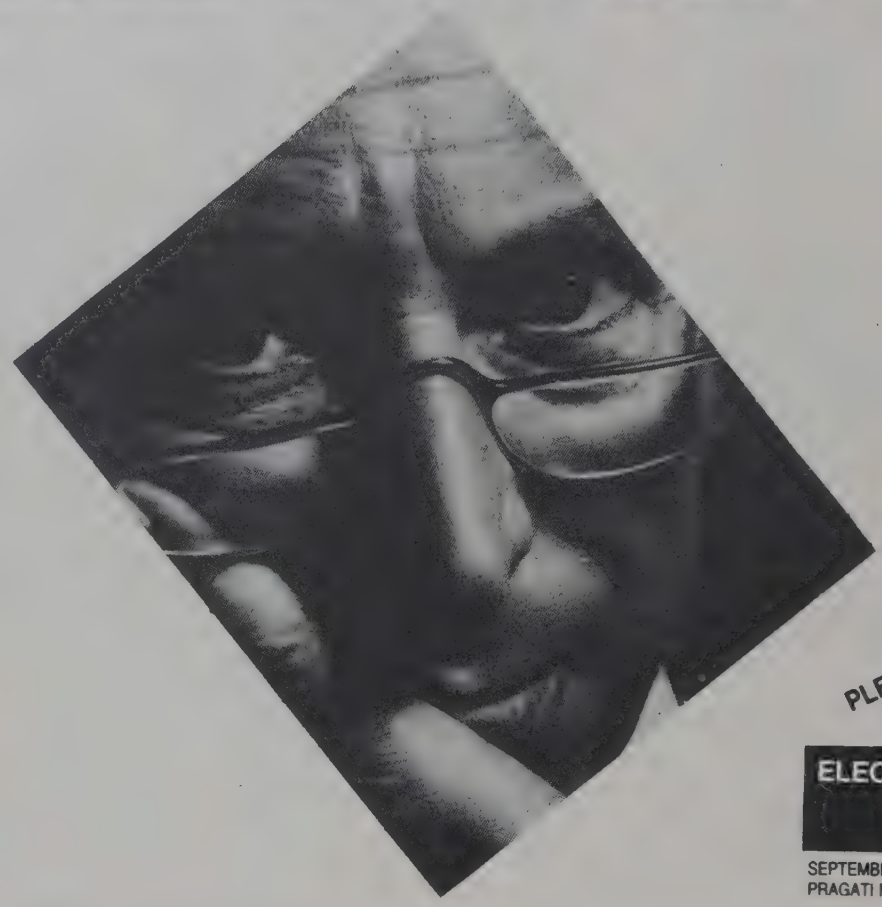
The electronics industry covers a large number of units in the public sector, organised private sector and small scale sector. Besides, there are a number of tiny units doing assembly jobs, especially in consumer electronics. However, only 300 units account for 75 per cent of the total production, which is projected to grow three-fold from Rs 6,300 crore in 1988 to Rs 17,700 crore in 1995.

Exports



Although production increased substantially, exports failed to keep up. In fact, exports account for only 6 per cent of production. From a mere Rs 27 crore in 1976, it increased to Rs 140 crore in 1985 and to Rs 400 crore in 1988. Over 40 per cent of the exports in 1988 was accounted for by SEEPZ and the free trade zones. Computer software, electronic components and industrial electronics account for the lion's share of total exports. By 1995 exports are expected to account for 8 to 10 per cent of total production, amounting to Rs 1,500 crore.

WHEN THE THRILL LIES IN MANUFACTUR
AND THE TROUBLE LIES IN SALES



PLEASE VISIT US AT
HALL No. 7E Stall No.2

ELECTRONICS INDIA '90

SEPTEMBER 5 - 11, 1990,
PRAGATI MAIDAN, NEW DELHI

TALK TO US

When it comes to marketing electronic and electro-mechanical components, SAI has its finger on the pulse of the market

Are you one of those innovative young entrepreneurs, trying to come to grips with the complexities of sales and marketing?

Come talk to us.

We are the leading marketing company for electronic and electro-mechanical components.

With 24 years of experience. And a spirited team of sales representatives.

Each of them, most efficient at gauging market trends, and in constant pursuit of precious feedback.

The people who can and will deliver

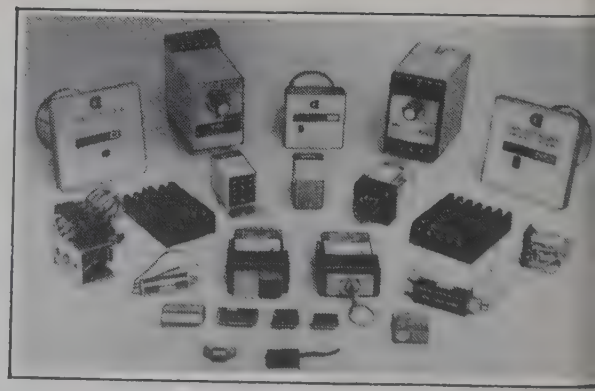
They are our national dealer network. Over forty of them. And none will stock your competitors' products while promoting yours.

You can count on them. Just as we've done. For years.

The people with the right connections

Here are some of the companies we directly service: ITI, BEL, BHEL, L&T, BARC, KELTRON, Kirloskar, Siemens, UPTRON – who have truly endorsed our capabilities and supported our reputation.

So come, talk to us. Relinquish your troubles to the people who care enough to understand them.



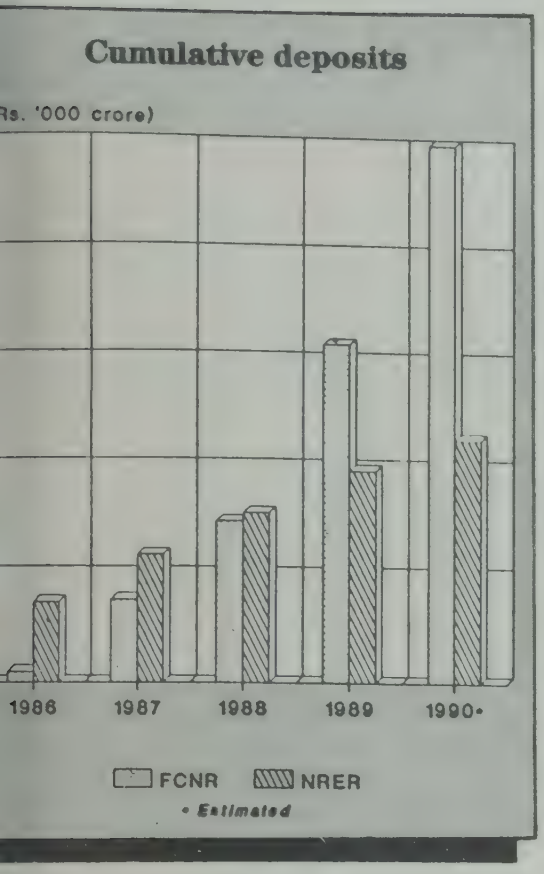
At the service of diverse industries

SAI ELECTRONICS

A Div. of Starch & Allied Industries

Thakor Estate, Kurla-Kirol Road, Vidyavihar (W), Bombay 400 086.
Cable: SAI ELECT, Phone: 5136601, Tlx: 011-72132 PLA IN.

Managing NRI funds



The recent developments in the Middle East have had nasty repercussions for India in more ways than one. For instance, the spiralling increase in the price of crude from $14 (June 1990) to the current price of $29 per barrel should push the import bill of crude up by an additional Rs.3,000 crore. Also, the flow of goods to the Gulf tends to slow down because of the imminent risk of war.

On the plus side, there is a substantial inflow of foreign currency into the Foreign Currency Non-Resident Indian account (FCNR) and the Non-Resident External Rupee account (NRER). This panic transfer of foreign exchange to India is prompted by the uncertainty that prevails today in the Middle East. Particularly so because the Kuwaiti dinar has been devalued overnight to one-tenth of its value. The other Middle East currencies like the Saudi rial or the UAE dirham have not met the same fate because they are linked to the dollar. But bankers point out that there is heavy demand for US dollars in cash in the Gulf countries and $100 bills are being sold at a premium of around 20 per cent, because, at any given point in time, banks trade in only a certain amount of US dollars and the sudden rush for the currency has created a shortage.

It would be difficult to quantify at this stage, the amount of money pouring into the country, but banking circles put it at a sizeable amount and the flow is about two and half times that which is received on an average day. This is indeed a bonanza for the government considering that foreign exchange reserves have fallen to a low of Rs.3,494 crore, hardly enough to cover 50 days imports!

Attracting NRI investment

The decision to tap NRI money and technical resources was taken a few years ago when the government realised that NRIs have financing potential. A rough estimate puts the number of NRIs spread across the world at 10 million. The Middle East accounts for around one million, South East Asia 1.4 million, the UK, the US and Canada around 0.5 million each, the remaining being in Africa, Mauritius, Fiji and Trinidad. Although it is difficult to quantify total NRI resources, a rough estimate has put their annual savings at around $100 billion, a sizeable amount by any standard.

In order to induce NRIs to park their funds in India, the government has devised many schemes and offered tax incentives. A popular scheme, the FCNR not only gives a higher return on investment but the payback is also in hard currency. The initial response to this scheme launched in 1984 was only lukewarm. Up to 31 March 1985, only Rs.955 crore was collected while the NRER account already in existence for a few years had totalled a cumulative deposit of Rs.2,864 crore (as on 31 March 1985). Over the years, the FCNR scheme has grown rapidly and more popular. Today, it has overtaken the NRER scheme in terms of accumulated deposits — the cumulative deposits in the FCNR account were to the tune of Rs.10,871 crore while that in the NRE account was only Rs.6,113 crore.

Scope for improvement

In the case of NRI investment in shares and debentures, the response to date is far from satisfactory. Up to now, only around Rs.80 crore is invested largely because investment in shares requires a close monitoring of book gains which is not usually possible if one is staying abroad. Nevertheless, the situation is likely to change in the future with the State Bank of India and a few foreign banks arranging discretionary and non-discretionary portfolio management services.

It has been pointed out that much of the NRI investment in the FCNR and NRER schemes is hot money flowing into the country, and their withdrawal could, therefore, have serious repercussions. There is some truth in this. To avert a crisis, what is required is a close monitoring of the interest rates abroad, to ensure that Indian rates remain competitive. Recent developments have shown that despite many shortcomings India still is a safe place to invest.

■ ASPI CONTRACTOR

FRANCHISE



DID ANYONE EVER SHOW YOU HOW TO MAKE Rs. 30 LACS A YEAR ?

We show you how, while offering a unique guarantee of a minimum return on investment.

Although our country has succeeded in achieving rapid computerisation, we are seriously lacking software professionals. There are a no. of computer education centres. However, most of them have almost identical and routine computer courses.

ISCT was established to overcome this shortcoming. From day one there has been an overwhelming response to the advanced training offered by ISCT. With a current workforce of over a 100 personnel working to create a high standard of computer education, ISCT offers specialisation in highly advanced areas besides covering all the basic subjects.

With over 1000 students training presently in 4 centres that sprawl over 8000 Sq. Ft. of training space, ISCT has a projected turnover of over Rs. 1.5 Crore in the current financial year.

Apart from being financially stable an ideal franchisee should essentially be able to manage the business personally (Prior knowledge of computers is not a pre-requisite). He should be receptive and have a professional outlook.

A franchisee should necessarily have or obtain premises in a central part of the City/Town, measuring over 1500 Sq. Ft.

Come, join hands with a reputed computer company having a pre-proven formula of success.

FRANCHISE SCHEME HIGHLIGHTS :

- A Unique guarantee of minimum returns on investment.
- Initial Training Covering all aspects of business.
- Complete professional back-up services ranging from marketing to shop fitting.
- Assistance in initial recruitment & training of staff.
- Regular promotion & advertising support.
- Regular monitoring of centre's performance to maintain standards & profitability.

Write with all relevant details like size of existing business, manpower, finance resource and any other details you feel we should know.
To : The Franchise Manager

ISCT

International School of Computer Technology

Unit of Futuristic Computer Systems Pvt. Ltd.

Affiliated to London School of Data Processing (UK)

Regd. Office : 1, 'Pushpa Varkha', Main S.V. Road, Khar (W), Bombay-400 052. Tel. : 540860, 6464476.

CENTRES AT ● BOMBAY ● DELHI ● BANGALORE

WHERE SPECIALIZATION SPELLS SUCCESS

ATLANTIS/1036/90

t she doesn't care

her brief, enthusiastic burst of en- minister of state for environment eka Gandhi is uncharacteristically at Pariyavaran Bhavan. Cabinet min- Nilamani Routray, who clipped his or colleague's wings drastically, last hammered the final nail in the green



eka Gandhi: undeterred

ster's coffin. He issued a circular — to fficers who are joint secretaries and e — ordering them not to send any o Maneka, even if she asked for one. aneka's reaction was typical. She ped Parliament to conduct a survey of roundabouts in Delhi to check on the tal's greening programme.

range sacking

om has the easing out of the chief of a ic sector undertaking (PSU) caused consternation. A few days ago the ter was informally discussed at the an- meeting of public sector undertak- . And one PSU chief wanted the ding Committee on Public Enter- es (SCOPE) to pursue the matter for- y with the government.

e axed chief in question is S.C. Ka- , till recently the chairman and man- g director of Hindustan Vegetable Oil oration (HVOC). Kapoor was un- moniously sacked by his boss, the ster of state for food and civil sup- , Ram Pujan Patel. The incongruity of sacking lies in the fact that Kapoor ed around HVOC which was deep in ed when he took over in mid-1985. A profitable PSU is rare enough, and for the chief of such a unit to be dropped in such a manner is strange indeed.

The Tau's troops

Does the jurisdiction of the Haryana police extend to Delhi too? Quite clearly, no. But on 9 August, the day of the *kisan* rally in Delhi, many Haryana policemen and police officials were seen controlling crowds at the Boat Club. Their number included some Indian Police Service (IPS) officials, one of whom had deliberately hidden his name badge.

When a close confidante of Devi Lal was asked what these officers were doing in Delhi, he said: "Oh, they are old faithfuls of Chaudhury Saheb," as if this justified the illegal act.

Some bureaucrats in Delhi don't find this surprising. Constant bullying and political pressure over the years has brought the Haryana cadres of IAS and IPS officers to their knees. Very few can stand up to their political bosses. Moreover, in Haryana, many of those in the ranks, whose loyalties lie with the Tau, have been promoted rapidly to the IPS/IAS. And these officers are only too willing to do the bidding of their political masters.

It's never too late for George

While railway minister George Fernandes doesn't run the civil aviation ministry, he has convincingly displayed his ability to delay Indian Airlines flights.



Fernandes: the perks of power

On 13 August the Bombay-Indore flight was halted moments before take-off at 5.30 pm. The cause was, of course, solid — Fernandes was busy in the city meeting industrialists but he simply had to reach Indore the same night. Naturally, the aircraft, with its passengers, waited for the minister. It finally left six hours behind schedule at 11.30, with George.

Whose land is it?

Jawahar Bhavan, the Congress (I)'s ritzy new headquarters in the capital, was constructed at record speed by L&T last year and delivered right on time to Rajiv Gandhi on his grandfather's birthday. But now it appears that the opposition party won't be able to move into its new political HQ after all.



Unnikrishnan: consistency rewarded?

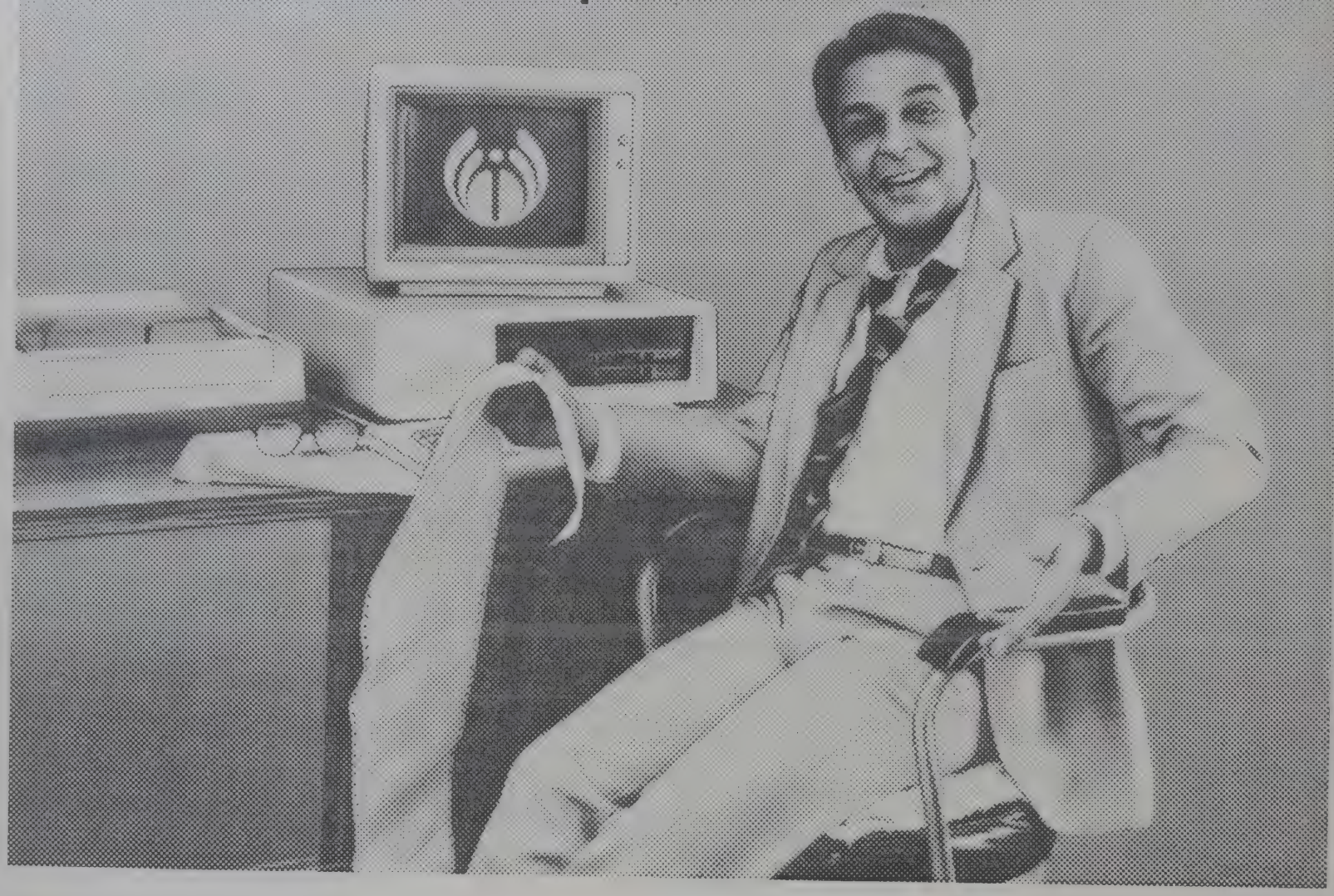
The hitch is this. The land on which Jawahar Bhawan is built was allotted to the Congress(S) in 1985. Soon thereafter, Sharad Pawar took a large chunk of that small party and merged with the Congress (I). K.P. Unnikrishnan (now minister for surface transport) meanwhile, continued in the Congress(S), retaining its separate identity.

The Congress(I), however, then deemed it a total merger and went about constructing its high-tech offices. Alas, the Congress(S), as a constituent of the National Front, is now in power and K.P. Unnikrishnan has moved court seeking a transfer of the land back to his party.

A Congress(I) functionary now moans, "Who would have thought that Unnikrishnan would come to power?" But this is the stuff that makes politics.

IDBI

Investment Deposit Account Scheme



- Companies, Firms, Individuals & HUF, save tax on income assessable under the head **'Profits and Gains from Business or Profession'** as covered under Section 32 AB of the Income Tax Act 1961.
- **Deposits under the Scheme are deductible up to 20% of taxable income.**
- **The scheme is available for previous years ending upto March 31, 1990.** Deposits should be made **within 6 months of closure of assessee's accounting year or before filing of tax returns** whichever is earlier.
- **Deposits can be made by post.**
- **Interest @ 10% p.a. will be credited to the assessee's designated bank account on 1st April every year without tax deduction at source and can be freely withdrawn for any use.**
- **Principal** amounts of deposits **can be withdrawn after one year** for purchase of plant and machinery, computers etc. for the business or profession of the assessee.
- Outstation cheques are accepted and collection charges will be borne by IDBI. Date of deposit will be the date of receipt of cheque by IDBI.
- Demand drafts received by IDBI within 10 days of issue, will get credit from the date of the draft.

INDUSTRIAL DEVELOPMENT BANK OF INDIA
'IDBI Tower' Cuffe Parade, Colaba, Bombay 400 005.

Sobhagya-90

If only the Guinness Book of Records had a section on Pumps we'd be in it

World's first seventh edition pump (API-610)

From the first name in pumps, comes the last word in pump technology.

CHEMFLO–AKP seventh edition pump as per API-610 is the first of its kind in the world.

Years ahead in performance, the pump is the product of AKAY's in-house research and product development through CAD/CAM to meet the exacting standards of API-610 (Seventh edition.).

CHEMFLO–AKP seventh edition pump's incredibly rugged design makes it energy efficient as well. Ideal for Petrochemical, Refinery, Fertilizer, Nuclear and Chemical Industries.

Add it all up! And you can see why the AKP series seventh edition pumps are something even people from America, Europe, Middle East and Japan are excited about.

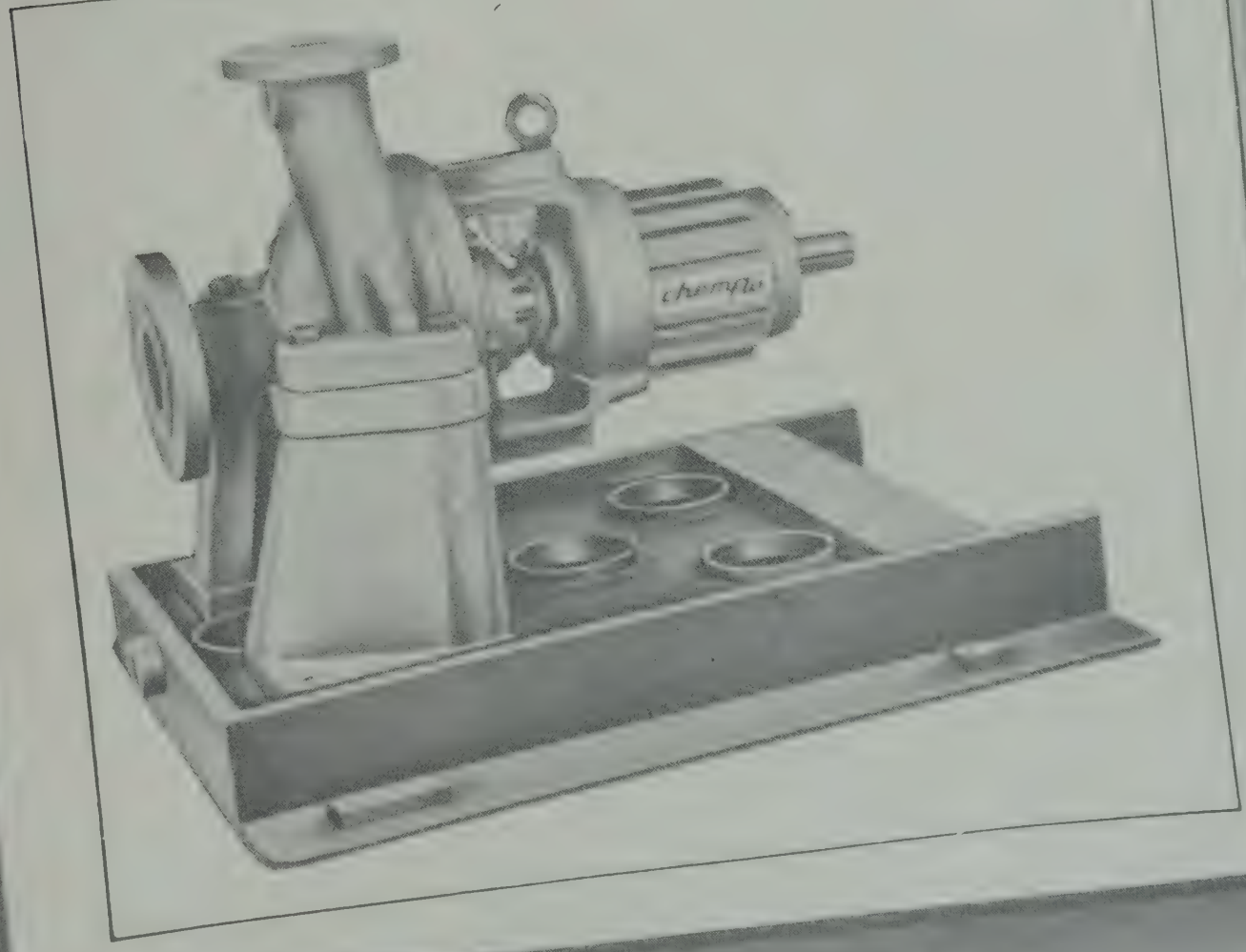
CHEMFLO-AKP seventh edition! It's what the world has been waiting for!

AKAY INDUSTRIES

Sales Headquarters
Post Box 6557, Bombay 400 018, India.
Gram: AKAYIND.
Telex: 011 73771 AKAY.
Phone: 492 4590.
Fax: 494 6677

Branch Sales Offices
New Delhi • Calcutta • Madras • Vadodara

Manufacturing Plant
Hubli 580 020, Karnataka, India.



chemflo® Leadership by design

THE INDIAN FARMER

Does he need a Devi Lal?

A closer look at Devi Lal's demands on behalf of the kisan *that if conceded, they will benefit the rich farmer more than the marginal farmers and the landless labourers who constitute the huge majority of the rural poor. However, this is not to detract from the need to totally revitalise the farm sector through increased investments in agriculture as well as the social services infrastructure in the villages. It cannot be denied that rural India has been grossly neglected, but the solution need not necessarily be the one Devi Lal has to offer*



With the holding of Devi Lal's massive farmers' rally at Boat Club, New Delhi, last fortnight, the tone of the country's political economy has been set for the next few months. The presence of leaders as diverse as the rustic Devi Lal, socialist Chandrashekhar, Harijan leader Kanshi Ram, Akali veteran Prakash Singh Badal and *kulak* chief Mahendra Singh Tikait on a common platform put the ruling trumvirate of V.P. Singh, Arun Nehru and Arif Mohammad Khan on notice. They can no longer act just on their urban bias and need, as it were, to turn truly rural.

The prime minister has responded fast. His Independence Day declaration that the nineties would be the official Decade of the Farmer had much to do with trying to recapture the high rural ground from Devi Lal. Simultaneously, there were attempts at a rapprochement with the *Tau* who, after acceding to and attending a dinner meeting with the prime minister after rally, left the very next day for his farmhouse Teja Khera, in Haryana's Sirsa district, a bur seven-hour car ride from the shaded avenues the capital. According to a member of Devi L inner circle, this manoeuvre was to shake Janata Dal president S.R. Bommai, whose tempts to woo him back into the party's m fold have the prime minister's blessings.



The Boat Club rally: the power of rural politics

What does *Tau* want?

What does Devi Lal want? At the best of tim Devi Lal, a school drop-out, is not very articul about his demands. Politician that he is, he of resorts to populist slogans and rhetoric. Al Devi Lal's language and terminology is in cipherable to those not conversant w Haryanvi.

At the very least, Devi Lal opposes the curre development model of promoting industrial a agricultural growth simultaneously. "Where after Independence the *Ram Rajya* of Mahatm Gandhi's vision (read benefits of economic d velopment) should have gone to the villa *chaupals*, has flown into the cash boxes of *set* (businessmen)", thundered he at the recent rall

"The Planning Commission determines ho much funds should go to which sector but it h been packed with those with urban backgroun and they have not taken measures for the benef of the farmer. The Indira Gandhi canal in R jasthan for irrigation was started in 1958 bu even after 32 years it is not ready. Half the mem bers of Planning Commission, including its chai man should have a rural background," he tol the farmers.

"Our manifesto promised that all farm loan below Rs.10,000 would be waived. That woul have required Rs.13,000 to 14,000 crore but th budget has allocated only Rs. 1,100 crore for th purpose," he pointed out.

The *Tau's* arguments sound illogical, populis and short-term. But conversations with enthusi astic farmers after the rally suggest that a more serious analysis is required. As one participant

he rally said, "The village is a different world. rget the farms of Mehrauli and Karnala that urban people know about. They are nothing 'urbanised' villages with their populations ei- r dependent on visiting urbanites for their in- ne or consisting of commuters directly ployed in the city."

ch farmer's world

ter, then the world of Devi Lal — ruled by the *lak*, the well-to-do peasant working for his h profit. The *kulak* is politically active and — nks to good monsoons — currently much more nomically dependent than he was in the ought years of 1986 and 1987, on the govern- nt's foodgrains procurement programme. In t, it is no coincidence that rich farmers have come politically active since the unexpectedly od run (three years so far) of monsoons that gan in 1988.

In bad years, their irrigated land produces as ch foodgrain as in good years but has a much gher value. In 1987, open market prices were per cent above government procurement ces. But for the past two years, this situation s been reversed and the value of the farmers' arketable surplus has directly depended on the ices at which the government procures food- ains. But the rich farmer rarely attracts public mpathy on his own account. He does not distin- ish between rich and poor farmers and claims speak for the poor farmer as well when he kes his demands. This claim may appear tall first. How can the rich farmers' voice represent e real village, half of whose population is land- s and with nine out of ten farms less than a ctare in size? After all, the country's net mar- table surplus (net of food purchased) is in the nds of only 2 per cent of the country's farmers, presenting about 13 million of the population, ose landholdings exceed 5 hectares.

Of course, not all the 250,000 people who ronged Delhi on 9 August were all rich. Most re not and had voted for Devi Lal in Haryana's te elections in 1987. They heard Devi Lal com- ain, not merely about the urbanite's inability to derstand the problems of rural dwellers, but the importance of higher support prices for mers and the writing off of more rural loans. Meanwhile, for the urban middle class, it is all it of a nuisance. The dreaded rich farmers' by reappeared last year, after five years of nnolence, with demands that will certainly tribute to urban inflation. Economists — all an — have pointed out that the rural sector is doing badly at all in terms of access to gov- ment subsidies. Apart from the foodgrain sidy which cost the exchequer Rs.2,200 crore t year, there was the fertiliser subsidy which t Rs.3,500 crore and the less visible subsidy of ap power which cost Rs.2,000 crore. These ex- penditures represented 60 per cent of developmental expenditure in 1989-90 or more than the 50 per cent that the rural sector is asking for. How much more should the rural sector get from the urban sector?



Tikait and friends: does the rich farmer speak for all?



Dandavate: the compulsions of a socialist framework

Key issues

Rhetoric aside, the key issues are clearly higher prices for agricultural products and more expenditure on the economic infrastructure — irrigation, power, etc. Does that make sense, and not just for the rich? It is no doubt the rural sector's loudest recent demand. The calls for higher prices have been consistently put forward over the last year, first by Kanshi Ram, and then — more forcefully and with great political impact — by Mahendra Singh Tikait, and now by Devi Lal.

How much does the poor farmer benefit from higher support prices for agricultural products? From a greater share of the nation's public expenditure on fertilisers, power and irrigation (especially when he either does not own land or cannot afford to buy power or water in the first place)? Unfortunately, in all the rhetoric, the real interest of the poor farmer has been glossed over.

Unequal distribution of land has also led to gross misuse of cheap power and water. For example, since groundwater is a free resource, access to subsidised power means that it is overused by those farmers who can afford pumpsets. These farmers are, of course, the rich ones. As a result, there has been a shortage of groundwater in many areas, and land salination has occurred along vast stretches of the western coastline.

If the small farmer does not benefit much in the short term, and, if most of the immediate benefit goes to the richer farmer, greater expenditure on the rural sector could still make sense for the long term. It could, in the manner that government-subsidised industrial growth has



The Tau*: king of the* kulaks



Villagers in UP: waiting for price support

achieved for the urban areas since the fifties, encourage new investment in agriculture and create jobs in the process. At the very least, there could be greater stability of income from agricultural employment if better infrastructural investments, as in irrigation, reduced the dependence on the monsoons. In any case, there is a spill-over effect of large investments which benefit at least some of the poor.

Higher support prices

But, to return to prices. Devi Lal's primary demand is higher support prices of cereals and other *kharif* crops. These support prices — variously called procurement prices (for wheat, rice and coarse grains), minimum support prices (for other cereals, cotton and oilseeds) and statutory minimum prices (for sugarcane, jute and tobacco) — are prices paid by various government procurement agencies to acquire agricultural products from the rural sector for sale in the urban sector.

These prices have always been set to cover the costs of production. Since costs depend on inflation, they tend to be conservatively set in order to compensate for inflation while not contributing significantly to it. For example, over the last two years, increase in support prices has been about 10 per cent each year — in line with inflation. Since the cereals procurement agencies — Food Corporation of India and NAFED — are allowed to keep a 20 per cent margin on their costs, this increase in support prices is fully passed on to the final consumer.

Even though the quantity of foodgrains procured is only 15 per cent of total output, the rest being either directly marketed (20 per cent) or self-consumed (65 per cent), the pricing process has a significant impact on final consumer prices in a good harvest year as it sets a floor price which any farmer can obtain for his output. In years of poor harvest, market prices exceed support prices. The difference, as noted above, crossed 30 per cent in 1987 and official procurement was limited to poorer quality produce at the minimum end of the government's acceptable quality range.

Small farmers tend to get the short end of the stick either way. A portion of their crop must be marketed in order to meet non-food requirements or food that they do not produce. In a good year, prices gravitate to minimum support price levels and reduce the absolute amount of their income from market sales, because price falls more than offset the rise in production. In a bad year, although they are nominally better off because prices rise by more than the drop in their production, their minimal marketable surplus is fully used up in the purchase of their other food requirements such as vegetables and pulses, whose prices also rise sharply in a bad year.

Fair pricing policy?

To the casual observer, the current practice — fixing prices to cover costs and raising prices annually to compensate for inflation — appears to be fair to both the urban buyer and the farmer's marketable surpluses. However, it may not be fair for reasons that appear to be the crux of Devi Lal's arguments. Consider wheat procurement. The current support price of Rs.200 per quintal means that the national average output per hectare of tonnes per annum (in a good year) tra lates into a gross annual income Rs.3,000 per hectare.

This might be adequate income for 2.2 million farmers in the country wh landholdings exceed 10 hectares ea but what about the 80 million farm whose landholdings are less than a h tare each? Such a low level of supp prices means that the 80 million p their dependents — five on an average have no option but to accept a very l standard of living. It certainly does provide for any cushion or surplus th will allow for capital investment.

In fact, the present pricing policy pr ably leads to a slow erosion of rural ca tal with the attendant evils of rural de and land consolidation. In effect, ri farmers get richer and, through ever r ing prices for non-food consumer goo rural wealth is transferred to the urb areas. Says Shamsher Singh, a farm who owns 4.5 hectares of land in Ha ana's Rohtak district: "Farmers g poorer each year, continuing only b cause of long traditions and no altern tives. The actual profits are eaten up middlemen." Prakash Singh Badal, fo mer chief minister of Punjab, lan farmer and Akali activist concu *"Kisani* is no longer profitable." Says V sant Sathe, Congress-I MP: "In my const uency, Wardha (near Nagpur Maharashtra), not even well-off farme can amass wealth the way a businessma can, more so after land ceilings came in force."

There is, therefore, a strong case fo higher support prices. Although foo prices have risen as much as industri

es since 1980 (*see chart*), the argu-
t for higher support prices rests on
inability of the marketplace to yield
stible surpluses for agriculture. Will
ıer prices for the grower be enough?
Indian evidence suggests only a
ybe'. For example, the price of
ındnut oil has risen by 86 per cent
e 1980 while production has risen by
per cent. Milk provides a more opti-
tic scenario. As the experience of Op-
ion Flood has shown, high and stable
es for milk combined with the com-
ment of dairy co-operatives have
ked. Operation Flood has been an un-
lified success and the National Dairy
elopment Board is a consultant to
r 40 countries on co-operative opera-
, including to socialist veterans like
na and Poland.

he Indian practice of compensating
y for costs is at variance with the West-
and Japanese practices of compen-
ing farmers for more than inflation.
ile this practice has had a dramatic
pact on output with "mountains of but-
" and "lakes of milk", the urban con-
ner in those countries has lost out in
ıt he pays higher than free market
ces. But that is the price that Western
vernments have consciously decided to
y to keep agriculture alive.

But who in agriculture will first benefit
m higher support prices? It will, of
ırse, be the farmer with a marketable
rplus. In the short run, at least, it will
t help the marginal farmer and the landless, who constitute the overwhelming majority of the rural population. Higher prices will undoubtedly hurt more than benefit them as they will have to spend more than 70 per cent of their income that they currently do on food. Then why do they support Devi Lal? Are they swayed by his rhetoric or does their misery cause them to support any member of a rural constituency? Probably a bit of both. Interestingly, for the first time, rich-farmers advocate that Devi Lal has offered them a carrot: higher statutory minimum wages.

Even the typical marginal farmer sells his labour to larger farmers at harvest times. He, together with the landless labourer, need protection from higher foodgrains prices. In this context, a programme for raising statutory minimum wages for farm labour, to accompany higher support prices, is an option that the government is in favour of. Vasant Sathe supports such a plan, arguing that the poor farmers must be shielded from higher support prices, which should essentially be a move to transfer wealth from the urban to the rural areas.



Getting the short end of the stick

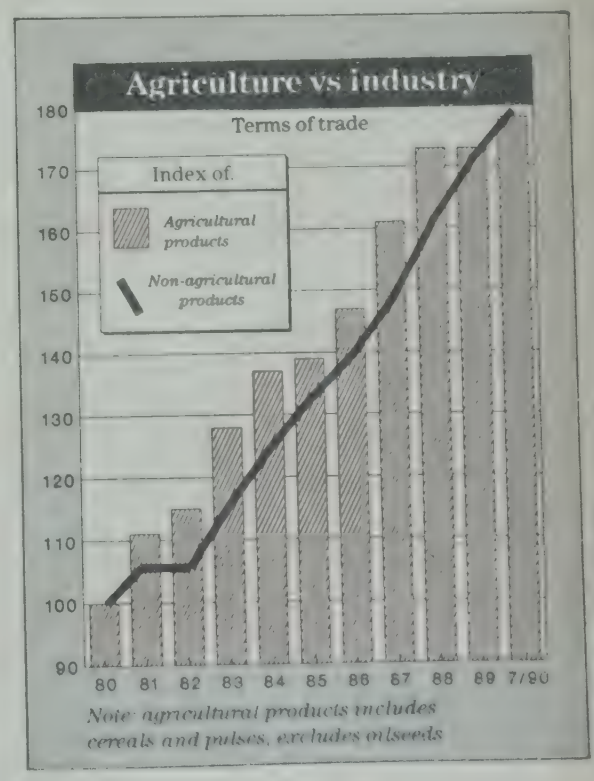


nall farmers: traditionally alienated from the state

No guarantee

Do such arguments merely put an acceptable political face on measures to raise the rich farmers' income? The landless, who make up almost half the rural population, do not have the clout to ensure that they receive the minimum wage while the government currently lacks the will to. Rich farmers in most of rural India continue to have an almost feudal grip on the local population. Even if the law works, it could merely reduce employment by making substitution with mechanisation more attractive. Indeed, mechanisation of agriculture has substantially stepped up over the last decade. For example, the number of tractors used is estimated to be above 1.4 million in 1989 against just 500,000 tractors in 1980.

This may not have yet hurt employment in agriculture, given that the number of



rural poor below the poverty line has fallen from 250 million to 169 million over the past decade. But, any attempt to unnaturally raise the wages of the rural poor could prove harmful. Raising the minimum earnings of the rural poor is likely to remain a troubling issue in the context of India's traditionally weak social governance. Unfortunately, after Mahatma Gandhi, no national leader — despite tall claims — has really been the voice of the rural poor.

If higher prices are vital for creating a disposable surplus in agriculture, they by themselves will not necessarily lead to agricultural development. As N. Krishnaji of Calcutta's Centre for Studies in the Social Sciences points out, profitable technology and efficient delivery of inputs and services for adapting such profitable technology are the two other key requirements.

Development of co-operatives and the play of natural market forces could well work to provide the latter two requirements. This has happened in the 'Amul experiment', as it is known. Although this experiment is now being tried out for groundnut oil as well, it is useful to remember that each agricultural sector is unique. In marketing milk, the main problem was efficient collection and storage of such a perishable commodity. Once technology solved that problem, there was opposition from government-run milk distribution systems in the cities, which opposed co-operative marketing as this threatened their cozy monopolies. For groundnut oil, the problem is caused by the trader and speculator who has the resources to purchase groundnut at harvest time when prices are low, store it, and sell it later at a price that, after covering storage costs, gives him a handsome profit.

Co-operatives can also help overcome a major problem common in rural areas; working with the government. Except during drought, the relationship, ween the state and its rural citizens, t to be at the best of times distant, else downright hostile. Says Sharad Josh the Shetkari Sangathana and head o planning commission's standing advi committee on agriculture, "In a good when crop prices fall, the governm does nothing to help farmers. In time shortage they are busy collecting le And this is precisely the time in whi farmer can do well if left alone." Quoti Marathi proverb, he says, "In bad y there is the *asmani* (sky) factor and good year the *sultani* (state) factor the farmer is kept down by *asman sultani*.

Co-operatives and other marketing cilities are only one element of the in structural developments that m accompany a programme of rising s port prices if agriculture is to develo very important component is the nomic infrastructure in the villages;

"Co-operative law is archaic"

Verghese Kurien, *chairman of the National Dairy Development Board (NDDB) is an articulate defender of the rights of the poor farmer. His views on the strategy for agricultural development:*



What is your view on higher prices for agricultural products? How will it help the farmer and how will it hurt the urban consumer?

As in industry, a farmer will produce more only if his return covers not only his cost of agricultural production but leaves him with an incentive to produce more. However, raising prices alone will not work. The farmers should also be given easy access to markets.

As for the urban consumer, let me cite the example of milk. Higher prices raised production but there came a time when the increased prices resulted in the consumer not being able to afford milk. At these prices, it was against the farmers' interest to produce more milk and the only solution was to lower the cost of production. Hence, the correct cycle is to raise prices, allow access to markets and follow up by productivity-raising, cost-lowering measures such as better

However, higher prices for foodgrains do not seem to have helped the output of groundnut which has risen only 13 per cent since 1980, although prices have risen by 86 per cent.

That is true. But there were many other factors: the absence of technological breakthroughs, cheap imports that discouraged production, and the nexus between the oilseed traders and the political machine, especially in Gujarat. The government needs to tel consumers bluntly to consume less.

Do farmers suffer because of mid dlemen at the marketing stage? How should one get around thi problem?

Cooperatives — owned by farmers for procurement, processing and market ing — are a way out. But creating them is difficult. It took 40 years to create one for milk. In the villages of India to-

hird of Indian villages have "motorable proach roads", a term usually meaning at a Jeep would just about get through the monsoons. While 75 per cent of dian villages are supposedly electrified, is means that lines have been laid, not wer supplied.

Socially, it is as bad. Why would any ndless labourer like to live in the vil-ges with its atrocities against the Hari-ns, its diseased water and absence of imary health care. And, there is the to-l absence of social development of that oup that makes up two-thirds of the ral population, is particularly discrimi-ted against and yet has no political ice — women and children. Not sur-isingly, migration to the cities, even th the squalid lives that ensue, con-nues unabated.

Our agricultural output should be uch larger than at present. The World nk has estimated that Indian agricul-re, using the best technology that is at present in use in India but with 100 per cent access to good water, power and markets, should be able to feed a population of five billion. Agriculture, but for the government's neglect of rural infrastructure, could be a source of surplus for industry rather than the other way around. Not surprisingly, the Devi Lals advocate investment in basic facilities in rural areas rather than in giant public sector industries that lose a lot of money.



Women farm workers: big group, but no political voice

lay, the word "cooperative" is not a ood word. This has happened be-ause cooperative law is archaic, dom-nated by bureaucracy and the olitics and with no honoured lace for professional managers to unction.

Vhat about land reforms? The chief inister of Gujarat is against land eilings as it would lead to further ragmentation of land.

and legislation should be a part of ny sensible agricultural strategy. But here is, of course, violent opposition o land ceilings and even the distribu-ion of unused land. As a realist, I look t the next best thing — cooperative narketing of the produce. Unfor-unately, both the present government nd the preceding one are preoc-upied with the vocal urban popula-ion who have usurped the benefits of reedom out of proportion to what hey should have.

low have the cities exploited the illages?

xploitation of villages assumes many ther facets than paying low prices for gricultural products. What is a village chool: one teacher, ten classes nd no blackboard. What is the vil-agers' access to power in so-called lectrified' villages: it comes only in the middle of the night with low voltage and many interruptions. The same for approach roads and sanitation. And drinking water: how many of our villages have no drinking water and how many of our cities have water fountains. Then there are the urban vested interests, the bureaucracy and organised labour who are responsible for our high cost economy. I know of a government dairy plant where processing 100,000 litres daily requires 10,000 workers when it should not need more than 200. Yesterday, a Planning Commission member told me of a government fertiliser plant with zero production; yet all its employees get overtime. There is massive looting by organised labour.

Turning to the new government's agricultural policy, what is your view on its intent to reduce the rural population's dependence on agriculture from its current level of 73 per cent to 50 per cent by the year 2000 AD?

This is a major problem. Modernising agriculture implies a reduction in the numbers needed to produce larger quantities. But where can they go? Given our impossible urban labour laws, every manager is trying to reduce his labour usage.

■ NEERA SETHI

Our assets

India has some of the world's most arable land, good groundwater resources and an ideal climate. In Bangalore, for instance, the average yield of tomatoes per plant is more than five kilograms, if grown in open air and well fertilised and watered. The cost of such cultivation is about 50 paise a kilogram. Yet, an American farmer is quite satisfied if his greenhouse-nurtured plant can yield him a single kilogram of tomatoes per plant at a cost of a dollar per kilogram. Add India's low cost of rural labour to its natural resource advantages, and there is every reason why the country should really be an exporter of agricultural produce.

Sharad Joshi agrees with this view. "Agricultural surplus must be increased," he says. "This would lead to increases in capital formation in agriculture. The increased income thereby generated would then be available for investment in non-agricultural areas. This is the natural process of development."

If agriculture is able to increase its surplus through capital formation and better technology, then the number of people required for agriculture could fall. This has happened in all the countries of the developed world. In the US, only 3 per cent of the population is dependent on agriculture. In India, the proportion dependent on agriculture has fallen from 82 per cent in 1960 to 73 per cent today, although the absolute numbers dependent on agriculture have risen from 360 million to 640 million. Further growth in



Farm produce: higher prices vital

population means fragmentation and lower rates of return. By the last census for 1980, the number of farms had risen from 70 million to 89 million in a decade. In this context, therefore, fragmentation automatically imposes a land ceiling.

Fragmentation has often made small landholdings unviable, leading to their being sold to larger farmers. This process of land consolidation has led to more large farms, along with the increase in the total number of farms that are caused by fragmentation. In the Punjab, there has been an increase in all categories of farm holdings, except in small farms (below two acres). Between 1971-81, 380,000 small farms vanished, adding 2.4 million to the ranks of the landless.

Says Daya Krishna, ex-Planning Commission bureaucrat and now the BJP's expert on agricultural policy: "I can predict with near certainty that when the figures of the 1991 census are available, it will be found that the Punjab trend has now been repeated in Haryana."



Mechanisation has stepped up substantially over the last decade

The new agricultural policy, now in its third draft, suggests that the natural percentage decline needs to be accelerated with specific strategies to develop industries and services in rural areas. Its objective is the shifting of a massive 260 million of the rural population from agriculture in order to reduce the dependence on agriculture to 50 per cent by 2000 A.D. The argument seems to be that even at the best of times, such as the current year, during which the country is experiencing its third successive good monsoon, the vulnerable sections of the population, including the landless and marginal farmers, will remain high-risk groups.

All this suggests that the policy options on shifting rural populations are not obvious. Like the beginning of the Industrial Revolution in Britain, urbanisation has been inspired as much by the presence of a social services structure (primarily in health and education) in the urban areas (and the complete absence of one in the rural areas) as by increases in urban economic opportunities. If the rural sector is to continue to be neglected so that rural populations are induced to shift to urban areas, or at least non-agricultural occupations, then the appropriate policy should be to accelerate and smoothen a process of urbanisation that historically has taken place in every other country as it developed and is therefore anyway inevitable in India, too. With the right social services infrastructure, though, as the experiences of Sri Lanka and Mauriti show, the farms could well remain gre and densely populated. Our already ov populated cities would be better off, fo and the social pains caused by populat relocation would be reduced.

Only lip service

India's future depends on what happe to the rural poor. The marketplace ca not provide with a safety net; yet succe sive governments, socialist rheto notwithstanding, have consistently nored them. The Devi Lals too, pay o lip service. The new government promis a definitive agricultural policy, the fi that the nation will ever have. The dra versions of the policy favour price su ports, increased infrastructural inves ment and population relocation. To th extent, they indicate the correctness the government's aims but — given the r cord of our politicians — may remain p per plans. Meanwhile, the effect of th year's good monsoon on agricultural re enue is yet to be felt. When the bumpe crop, now on the fields, hits the *mand* from October and prices fall, politica pressure is likely to be even more intens than it is now. The government needs t move fast to secure its agricultural polic on a firm political base by then. Other wise, as Sharad Joshi ominously notes, "I is now or never."

■ RAFIQ DOSSANI, EAPEN THOMA and KINGSHUK NAG with bureau report

Khazana
FOR MEN



48 HOUR CUSTOM TAILORING. JODHPURS, ACHKANS, SUITS, READYMADE JACKETS, SHIRTS, KURTAS. DESIGNER TIES, CRAVATS, DRESSING GOWNS, ACCESSORIES, BELTS, WALLETS, CUFF LINKS, BRIEFCASES, LUGGAGE. HIGH QUALITY, SUPERB FINISH, EXCELLENT VALUE. 9 AM TO 9 PM, 7 DAYS A WEEK.

THERE'S MUCH MORE AT KHAZANA.

Khazana

House of Indian Treasure

TAJ MAHAL HOTEL, NEW DELHI TAJ PALACE INTERCONTINENTAL HOTEL, NEW DELHI TAJ VIEW HOTEL AGRA TAJ MAHAL PALACE HOTEL, BOMBAY



VAX is a registered trademark of Digital Equipment Corporation, USA.

A partnership where one talented performer depends on the other. For technical proficiency. A willingness to understand the intricacies of the other's need. And a commitment to grow together.

That's exactly how Digital India builds a relationship with you.

As the world's second largest computer company with more than 1,000,000 users of its VAX machines worldwide, Digital has always stayed in step with its users. Through planning, designing, implementing and managing of the solution that best meets the customer's business goals.

Digital Equipment (India) Ltd.

Yes. Digital has, in fact, moved a step closer to you now. With an elaborate manufacturing setup, customer training centres and a nationwide network of service and support – here in India.

Digital performance. No wonder, already there are more than 750 VAX installations in the country – in key application areas.

The knight has arrived.

digital

TOUCH.



And a partnership begins.

Touch Digital for commitment.

Right here!

Write in for a free corporate booklet:

Digital Equipment (India) Ltd.,

(an affiliate of Digital Equipment Corporation, U.S.A.)

Digital Park, Yeshwanthpur, Bangalore 560 022. Ph: 344785

Ahmedabad	Bombay	Calcutta	Cochin	Madras	New Delhi	Pune	Secunderabad
442426	233240	750401	351098	8250731	3325092	662989	842214

Mareech/DEIL/002/90/485



— Dr. Sumedha Sahni
M.B.B.S., M.D.

"LESS OIL IS MORE HEALTH"

There's fat in rice, wheat & vegetables?

Certainly. Nature puts it there. Invisible fat, but it's as vital for health as protein, or vitamins. It's when we add on the oils and fats in cooking that the trouble starts.

Cooking fats — and health

The National Institute of Nutrition, Hyderabad, declares that the Indian diet can contain twice, even thrice, the fat we actually need, thanks to the way we overdose cooking with oil. This, the Institute warns, is a serious health hazard, especially for the heart.

How to prevent health problems

Rely on the fats you are getting invisibly, that come naturally in cereals, dals and vegetables. Measure out the oil, or vanaspati, or ghee that you cook with : 2 tablespoons in all per family member per day. More is a health risk and so unnecessary. Low oil cooking can taste so good! Try these delicious recipes and see.

LOW OIL COOKING

KANDA BATATA NEE SOOKI BHAJI

A light Gujarati dish to go with any Indian meat dish.

½ kg potatoes (3/4 boiled in their jackets, peeled and cubed); ½ kg sliced onions; 1 tsp cumin; pinch of asafoetida (hing); 1 tbsp oil; salt; ½ tsp turmeric; ½ tsp chilli powder; 1 tsp coriander powder; ½ tsp cumin powder; juice of 1½ limes.

Method Heat oil. Add cumin seeds and asafoetida. When cumin stops spluttering, add onions lower heat and fry onions till light brown. Add potatoes and the rest of the ingredients. Cook on a gentle fire till potatoes are done. (serves 3-4)

CHANNA DAL

A delicious and easy to make South Indian dish.

½ kg channa dal soaked overnight in water; 1 tsp turmeric; 1 tbsp chopped ginger; 1 tbsp chopped garlic; ½ cup tamarind water; salt.

Turka 3 tsp oil; 3 broken red chillies; 1 tbsp chopped ginger; 1 tbsp chopped garlic; 1 tsp cumin seeds.

Method Boil dal with all the ingredients with just enough water to cover and adding water as required. The dal must be cooked but remain whole. If any water is left after the dal is cooked, strain it off. Heat oil, add cumin seeds, when they stop spluttering, add rest of ingredients; toss for half a minute and add to dal. (serves 4-6)

FREE

FOR DELICIOUS, LOW OIL RECIPES
WRITE TO P.O. BOX NO. 55, NEW DELHI - 110 001.

"LESS OIL IS THE HEALTHY WAY JUST TWO TABLESPOONS A DAY"

Released in the public interest by this publication and the Technology Mission on Oilseeds.

ASP-D/TMO/1/ENG/90-91

DAL REPORT

aying with fire

minister Vishwanath Pratap 's hasty acceptance of the Mandal nission report, recommending alto- r 49.5 per cent reservation for so- backward classes, scheduled tribes castes in Central government and c sector jobs, has already unleashed t resistance in Bihar. Although the nal Front manifesto had promised nplementation of the report, lying in storage for the past ten years, the g of the decision left no doubt that it countermove to Devi Lal's shen- ns, and also an attempt to win over steist *kisan* lobby.

gh's announcement of the govern- s decision, made in Parliament on 7 st, took most parties by surprise. eaders say they were informed only y before, and, according to BJP rs, they too were not given adequate e. Chandrashekhar has even gone so to say that, while he welcomed the "it is obvious that Singh was scared vi Lal and therefore pushed the re- through just 48 hours before the rally." Industries minister Ajit denied this, saying the decision been taken at a previous cabinet ng and as soon as Ram Vilas Paswan his report on how it was to be imple- ed, the prime minister made the an- cement in the house."

While some political leaders say it could prevent the communalisation of politics, the social cost of implementing the report, is only likely to be matched by the economic cost. In a society where merit counts in only half the available economic opportunities, the result is bound to be inefficiency. Also, inevitably, the forwards or upper castes and the Muslims, Sikhs and Jats who are not on Mandal's list of backwards will start revolting, since they will be the worst hit. Already, there have been agitations in places as far apart as Delhi and Patna. In Bihar, the stir is bound to go beyond the skirmishes at the Barh railway station on 9 August.

With Pakistan flexing its muscles, and the cry for secession in Punjab and Kashmir still in the air, this is the worst moment for India to have a caste war on its hands. At the best of times, a caste war is difficult to control. But now, with terrorism at its peak, and empty coffers confronting an already unstable government, a caste war can well become a civil war.

Out of date

Singh does not seem to have taken into account the fact that the report is quite out of date. Mandal himself had said, when he presented it in 1980, that it ought to be updated every 10 years. And this is 1990. Since then, the Yadavs, who are on his list of backwards, have acquired both economic and political clout. Even now, the possibility of them hogging all the benefits cannot be ruled out. What the move will definitely achieve in North India is consolidate the leadership of textile minister Sharad Yadav, UP chief minister Mulayam Singh Yadav and Bihar chief minister Laloo Yadav.

It is a matter of time before the Jats, and the other castes not included, start applying pressure for similar benefits. Devi Lal has already said that Jats should be included. To prevent eventualities of this nature, it would have been fairer to make economic status the criterion for reservation rather than caste. It would have cut across party lines and the government could not have been accused of pandering to certain castes to build a vote bank.

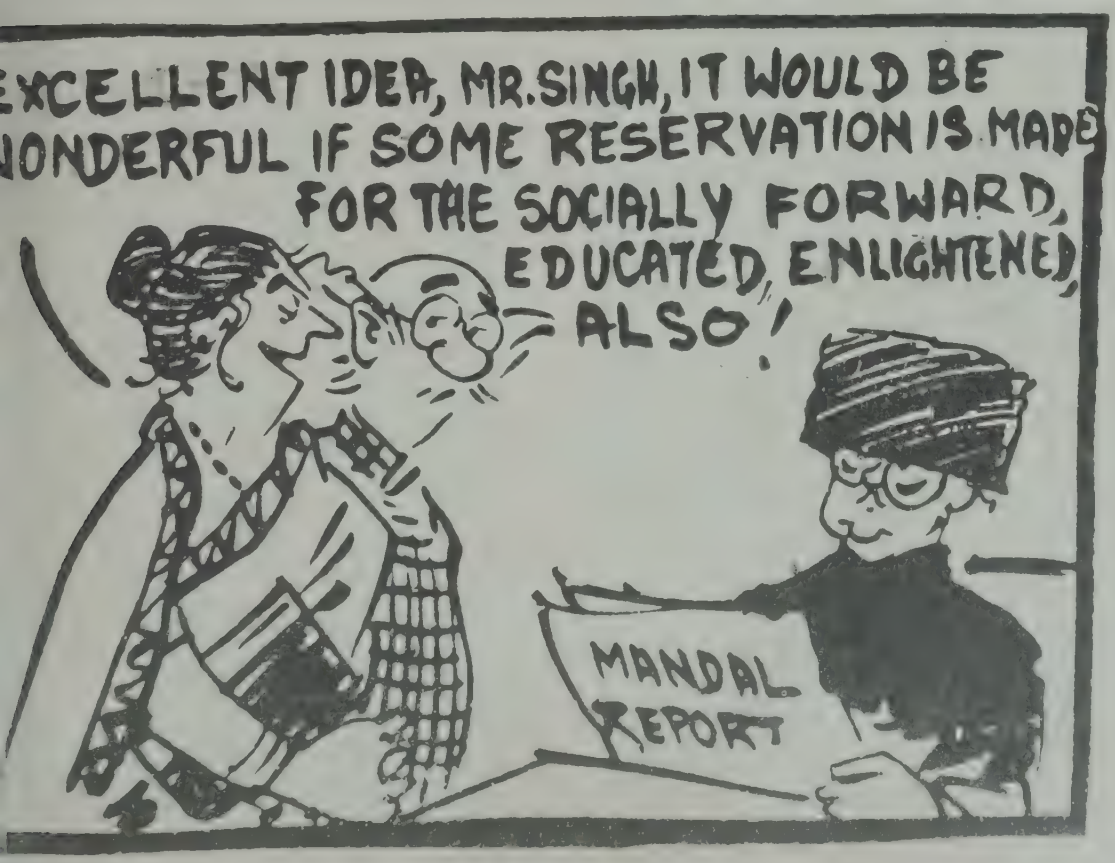
Economic criterion

At present, the Congress (I), BJP and the Left parties have all supported the implementation of the report, though with some reservations. The BJP and the Left parties both want economic status to also be a criterion. Says Prakash Karam, member of CPM's central committee, "The economic criterion would have helped to sell the idea to the other castes."

But these parties do not seem to have realised that the report could be V.P. Singh's strategy to win over their vote banks. Singh has already divided the Congress support base — Brahmins, Muslims, Adivasis and Harijans. He won over the Muslims on the Babri Masjid issue. He has been trying to woo the Harijans through his emphasis on Ambedkar. Now the Mandal Report will be an effective bait to the backward classes and tribes. It will also put a spoke in the BJP wheel, as it will divide the Hindu vote along caste lines — backward vs forward.

Mulayam Singh Yadav puts the matter in clearer light when he says, "The implementation of the report will ensure social justice to the large segment of society which has been deprived for ages. This section will at last have its due share in the administration. How can the government afford to ignore such a vast section of voters who feel proud to at last have a government of their choice?" While the country could have a civil war on its hands, V.P. Singh has effectively armed himself for the next elections, even if they are held mid-term.

■ RUCHIRA GUPTA



ADVERTISEMENT

TATA STEEL

Chairman's Statement

Winds of Change

The following is the Statement of Mr. Russi Mody, Chairman of The Tata Iron and Steel Company Limited, for the year 1989-90.

Tremendous winds of change have been blowing over a measurable section of the globe. A year ago, no one could possibly have foreseen the events that have taken place in the Soviet Union and in Eastern Europe. Although these changes have brought in their wake some serious economic and political problems, there must be very few people in this world who do not see the benefits of millions of people being freed from the shackles of totalitarian tyranny. I cannot imagine a more significant event than what has been achieved by this triumph of the human spirit against all odds.

'MOST RESPECTED'

2. In our own country also, there have been major political changes, the benefits or otherwise of which have yet to be ascertained. Consequently, the immediate future continues to be storm-



tossed and it will require all the inner strength, resilience and flexibility, of which our country undoubtedly is capable, to bring about the atmosphere in which progress can be made. It is in this environment that our Company has to operate. However, Tata Steel is not just another company manufacturing steel, nor is it the leader in the private sector only because of its size and turnover. Tata Steel is an institution which has stood the test of time. Because of its vast programmes of replacement, renovation, modernisation and diversification as well as its enlightened personnel and commercial policies, it has always been responsive to change and tried to keep one step ahead. Its untiring efforts to constantly strive for improvement, together with a basic philosophy of being a good corporate citizen, should ensure its continuance as a leading company in the country. Consequently, Tata Steel has been rated first among India's 'most respected companies' in a poll recently conducted by a business magazine in India.

3. In the year 1989-90, a measure of this strength is revealed by the production for the year — the ninth successive year during which an all-time high in production of 1.913 million tonnes of saleable steel has been achieved. The Raw Materials and Marketing Divis also performed well.

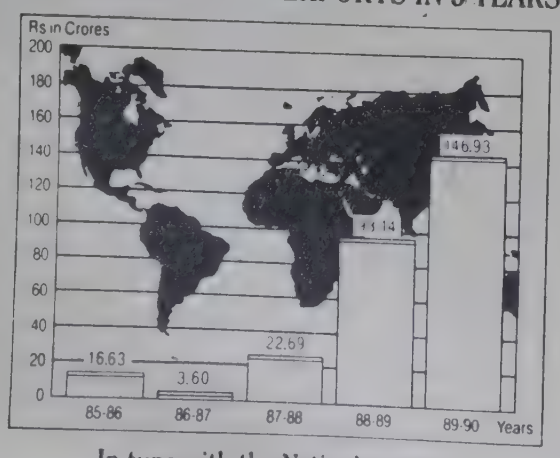
EXPORT PERFORMANCE

4. The most commendable perform of the year was achieved by the Exp Division, with a Rs. 147 crores expo which was 58% higher than Rs. 93 crores achieved in 1988-89 and exceeded the target of Rs. 130 crore mentioned in my last year's Stateme This places Tata Steel amongst the largest single company exporters. In last year's Statement, I had suggeste the grant of certain incentives to exporters by the Government. Althou my plea of last year remains unhear the latest export/import policy of the Government is to be welcomed and clear reflection of the realism of the Minister for Commerce.

SHACKLES OF CONTROL

5. While these operational performan are noteworthy, the profits for 1989-9 were marginally lower owing to an erratic and unsatisfactory supply of power from public utilities and pressu on margins due to uncompensated c increases outside the Company's control. Nevertheless, prices to consumers have gone up during the year due to increases in excise duty. Insofar as the health of the steel indus is concerned, I can only re-emphasise what I had said in my Statement last year. Although the industry is making slow progress, the dynamism that wou flow from a total decontrol of steel is y to be experienced. And this would app to all controls. I will repeat that there is no need for any controls in India excep fiscal control, environmental control a import control. I venture to suggest tha those who still believe that controls are necessary have obviously not experienced or thought much about th progress that can be achieved by the release of entrepreneurial forces. The

A 783% GROWTH IN EXPORTS IN 5 YEARS



In tune with the Nation's priority, Tata Steel lends a helping hand to India's exports.

experience of many countries around the world should be sufficient for me not to elaborate further on this.

MODERNISATION

6. With the induction of new technologies, increase in power and steel capacity, improvement of infrastructural facilities, the multi-thousand-crore Modernisation Programme is under active implementation. Work is underway on a new million-tonne Blast Furnace, a million-tonne Hot Strip Mill, an Energy Optimising Furnace with Continuous Caster, a third vessel in the LD Shop, a Slab Caster and new power facilities to generate nearly 100 MW. The non-performance of power grids on which your Company depends is, however, a matter of serious concern and, although we are adding to our internal generation, we shall not be totally free from dependence on the DVC and BSEB for the next 4 or 5 years.

7. All efforts are being made to maintain the Company's record of installing these facilities within fixed time schedules so that the funds raised through the last debenture issue in 1989 are expeditiously and efficiently utilised.

EXCITING PARTNERSHIPS

8. With these massive investments in the modernisation of the Steel Works and the installation of several state-of-the-art facilities, like fluidised bed power generation at the collieries, the new stamp charging facilities at the coke ovens, coal injection in blast furnaces, a new Sinter Plant, bath agitation process at steel melting shops, the high speed Bar & Rod Mill as well as a number of exciting downstream collaborations with world leaders like Timken, Thyssen, Korf KG and MAN, the Company is once again in the forefront of the technical leadership of the steel industry in India. Consequently, the quality of our products has been steadily improving and we are now able to provide a wide range of special steels for steel-based products.

QUALITY

9. In addition, during the last twelve months, we have initiated a vast number of measures to improve the quality of our products. This is not only a means to an end of satisfying our customers, but an end in itself because we firmly believe that the pursuit of excellence and quality in all that we do is a measure of our efficiency and a guarantee for prosperity in the future. I hope to be able to give you next year a more detailed account of all that we are doing and the measure of our progress.

10. Apart from all this, the Company has also extended financial, managerial and technical support to 18 associated companies which have made satisfactory progress in the year under review. Some of them also have interesting modernisation programmes of their own. In addition, I am happy to report that Tata Timken's bearings factory is now under construction.

POLLUTION CONTROL

11. Work on setting up a Biological Oxidation Plant for Coke Ovens effluent, and pumping and ponding facility for fly ash at a total cost of Rs. 16 crores is almost complete. Electrostatic precipitators have been provided at our major power houses, almost eliminating fly ash from the atmosphere. Bag houses and an electrostatic precipitator have also been commissioned at the Raw Material Bedding and Blending Plant and the new Sinter Plant to control dust pollution. Over two million saplings have been planted during 1989-90 in and around Jamshedpur, mines and collieries with an 80% survival rate.

RURAL DEVELOPMENT

12. Over 200 low-cost houses and primary schools have been constructed during the year for tribals in Orissa. A grant has also been received from the Asian Development Centre, Bangkok, for running a rural banking system in the Jamshedpur area. The Tata Steel Rural Development Society was given the 1989 Award for Rural Development by the Federation of Indian Chambers of Commerce and Industry.

LABOUR IN MANAGEMENT

13. Much has been talked about recently in regard to participation of labour in management. Unless there is a massive dose of management education of both labour and management for some years to come, the dream of true participation will remain only on paper. If the participation is not real, then it will only cause more trouble, and if the participation is effective, then there is no need for any legislation on the subject. The idea is good, but it must be allowed a natural growth and not enforced from above.

INDUSTRIAL RELATIONS

14. Industrial relations have now reached a stage in your Company when it is not necessary for your Chairman to comment. They are the talk and envy of the whole country. All I will say is that industrial relations continue to be the one factor more important than others in the progress and prosperity of your company and therefore allows for no complacency. Mr. V. G. Gopal, President of the Tata Workers' Union and the Presidents and members of all our Unions throughout the Company as well as all of us in Management are continually striving to maintain and further the concept of working together. Our employees are our greatest asset. To them go the gratitude of all of us.

A MILLION THANKS

15. Finally, as many of you are aware, I have completed 50 years of service with Tata Steel and have been showered with good wishes and felicitations from all quarters and, not the least, from many of our shareholders. I would like to say that all of you have made my life with Tata Steel a very happy one, and it is with sincerity that I say to each one of you 'a million thanks'. As I have said on another occasion elsewhere, 'If I had my life to live over again, I would change many things, but not my life with Tata Steel.' It has been a privilege to have been associated with this great Company.



(RUSSI MODY)
Chairman

Note: This does not purport to be a record of the proceedings of the Annual General Meeting.

HINDUSTAN CIBA-GEIGY

Waking up

After years of lassitude, the company has worked out a plan of action for growth and diversification. Put on the right path by its past managing director, and helped on by good monsoons in the last two years, the company is now poised to make new inroads into the market

A sleeping giant is beginning to stir. Hindustan Ciba-Geigy (HCG), a Rs.250-crore monolith, whose products range from toothpaste to aircraft bonding material, is preparing to finally shake off its decade-long inertia and flex its muscles in the marketplace. "We have decided to move ahead faster, to become more pro-active in our business strategy," says Richard Hartland, who, at 46, is the company's youngest managing director in more than a decade.

His senior-most executives, several of whom are just in their mid-forties, have been quick to respond. Last month, they all sat down and put together a corporate business plan for the period 1990-95, something they had never done before. This was "mainly because our previous CEOs usually did not take a long term view of things", says one general manager, who was a contender for the top slot but lost out because he was considered a bit introverted by nature.

No waves

Due to the lack of long-term planning, HCG chugged along at a comfortable pace for the best part of the last decade (*see box*). It posted a modest profit each year but, needless to say, it made no waves, here in India or abroad. On the stockmarket, it was viewed as a conservative scrip, not given to volatile changes in its price, though it has gone up steadily from Rs.625 in 1986 to a high of Rs. 1,710 in July 1990. In the past year, the rise in share price has been quicker in expectation of a bonus issue, which was overdue. After a gap of a full decade, the company announced a 1:2 bonus on 14 August. This may well keep the scrip propped up for a while to come.

On the international front too, HCG has remained on the sidelines. The company's turnover has stagnated at 1 per cent of that of Ciba-Geigy worldwide. One of HCG's current objectives is to raise its contribution to 2 per cent in the next five years.

Not surprisingly then, given its laid back style, a majority of HCG's products are far behind the leaders in their market segments. This includes its most visible product — Cibaca toothpaste, which was sold as Binaca until, as recently as, 1987. The only widely known exception is insecticides; HCG's Dimecron accounts for 80 per cent and Dichlorovus for 95 per cent of their respective markets. HCG puts 1,100 tonnes of Dimecron on the market each year. This is thrice that of its closest rival Sudarshan Chemicals, which produces 400 tonnes. But even in the area of pesticides, where HCG almost surely had access to the latest technology worldwide, it has launched few new products in the past few years.



Hartland: moving into high gear

Price of peace

There have, however, been good reasons for the company's indifferent performance. It started the eighties with serious labour trouble, resulting in a lockout at its plant in Bhandup, Bombay. This lockout lasted almost 10 months, by which time, not only had the company suffered a loss of Rs.35 crore, but also employee morale was wrecked. Though an agreement was reached, and by 1982 the com producing as much as it did strike, the price for peace was

The union leaders had forced agement to accept productiv which made utilisation of ful close to impossible. And till da pacity utilisation of the pharm formulations plant in Bhandup to 60 per cent. "If the workers a we can increase our production cent," says S.K. Wagh, general works, at Bhandup. All told "it d gur well for HCG", says Sharad eral manager, human resources, working in Parke Davis at that t

Things began to change for t with the arrival of Michael Mong as managing director in 1984. I years as chief executive of HCG, garious Norwegian went out of h build up morale. His door was alw to staff at all levels and he was managing director to actually mee sales personnel from remote stat

Mong-Hansen was generous to "If you made a mistake, you cou him and he would pat you on the h assure you that you had a chance up," remembers one company Also, having earlier spent seven India as a division head in HCG, already a familiar figure with who middle and senior managers coul relate. At the same time, Mong-H openness made some top manager as no one could be sure of what the been told by someone else down t

Brilliant stroke

The occasional critic notwithstandi quite clear that Mong-Hansen's ap ment was a brilliant stroke on the Ciba-Geigy's headquarters in Switze By the time Richard Hartland took the helm of affairs last year, HC firmly put the 1981 lockout behind was ready for future challenges.

Hartland does not agree with th that his predecessor was selected o his extroverted nature. In several Mong-Hansen prepared the compa the changes that Hartland is now pu for. Being a chemical engineer, M Hansen was instrumental in expa HCG's stagnant product range brought in a drug to treat epilepsy anti-tubercular Rimactane, and Vov which has revolutionised arthritis apy all over the world.

Voveran went on to become the pharmaceutical division's biggest

g success in recent times. Today, ver, its inclusion in the Central gov- ent's list of drugs under price control ource of worry for the division, since arations are under way to expand uction capacity at HCG's Goa factory. general, however, the mood among executives is definitely upbeat today. tment is to be tripled — Rs.110 crore e next five years as opposed to Rs.35 in the past five. Several new prod- are on the way, including a range of ster resins for the plastics industry n improved version of the once well n Tinopal. Also, the agrochemicals on is planning to step up production insecticides range by streamlining cilities.

ese products should fetch the com- additional business worth Rs. 200 , says Narendra Borkar, general ger for technology services, who usu- olds the fort when Hartland is away the HCG head office in Bombay. Also, ng up at the Santa Monica premises a are two chemical waste incinera- nd a new effluent treatment plant e ecology side" as Borkar puts it. The et: Rs.16 crore.

rofitable enough

estingly, there is no mention of any tment in pharmaceuticals, even gh Hartland denies that it was a con- s decision. "We are not moving away pharmaceuticals," he says. He does, ver, admit that though it contributes t 20 per cent of HCG's turnover, the on is not making adequate profits.



icide packing line at Santa Monica, Goa



Quality control lab: maintaining high standards

This means that the division is not in a position to undertake expansion on its own steam. Further, any investment above Rs.5 crore has to be made with the concurrence of the Swiss parent company, which would be interested in knowing the basis on which a decision to expand had been taken. So, it is quite possible that future investments in the pharmaceuticals division may be delayed considerably or even dropped.

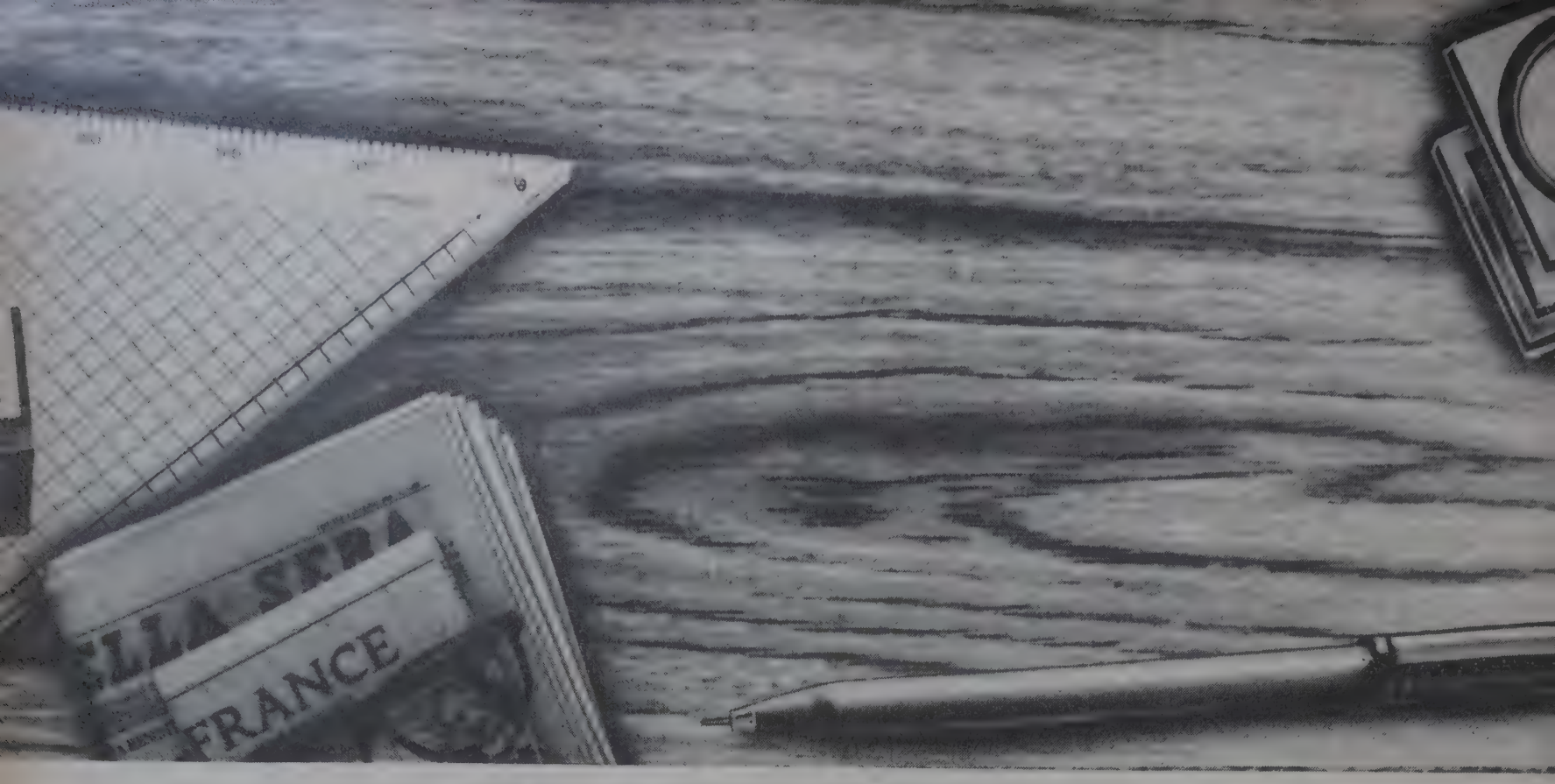
Other divisions of HCG, however, are honing their skills to take advantage of a burgeoning market, both in rural and urban areas. A highly motivated team of sales representatives held 8,000 farmer training sessions last year to persuade the agriculturists to use HCG's range of insecticides. The objective: to reach at least 10 per cent of the 90 million farmers who are considered potential clients. "It is almost like marketing a consumer product," says S.K. Moudgal, sales manager in the agrochemicals division, who quit Asian Paints to join the consumer products division of HCG two years ago.

They deserve it

Claims Hiru Punwani, general manager of the agrochemicals division and Moudgal's immediate boss, "The demand for plant protection agents has gone up because of our efforts to educate the farmers." His competitors agree. "They did not become market leaders by accident; they deserve it," says M.S. Patwardhan, vice-chairman of National Organic Chemical Industries Ltd (NOCIL), whose own agrochemicals division has a turnover of Rs.70 crore — not far behind HCG. And of course, two excellent monsoons one after another also helped push demand up.

Punwani's agrochemicals division contributes 35 to 40 per cent of HCG's turnover, higher than all the other divisions. Now, as the domestic market grows at a steady 10 to 12 per cent, he is looking overseas. But, with production costs higher than its Swiss parent company's, HCG's products cost more than that of the latter. As a result, most of the exports go to the USSR. Patwardhan however feels that even exports to the Soviet Union and China are no mean achievement, since their safety regulations are often stricter than those of other countries.

The other money-spinner of the company, namely, the consumer products division, is also reaching for the sky.



WHO'S CREATING TOP SOLUTIONS FOR TOP ARCHITECTS?

GITA VERGHESE
PROJECT – CITI BANK

SHELA PRAKASH
PROJECT – CHEMPLAST

RAJA CHAUHAN
PROJECT – ICICI

TALATI PANTHAKY
PROJECT – ASIAN PAINTS

NEOLUXE DECORATIVE LAMINATES

That's what top architects are topping corporate interiors with. Small wonder.

Neoluxe offers the most innovative range of designs to choose from. Pure Silk, Naturals, NeoImpress, MetaImpress and more. And if our range doesn't give you that perfect solution you're looking for we'll create new designs especially for you. Who can top that?

KAMAL MALIK
PROJECT – IDBI

B.H. RATHI
PROJECT – HEWLETT PACKARD

ZHAKERIA & THOMAS
PROJECT – LIPTON INDIA

RAJIV SHROFF
PROJECT: MITSUI BANK

NEOLUXE INDIA LTD
WINNERS OF INTERNATIONAL AWARD FOR QUALITY

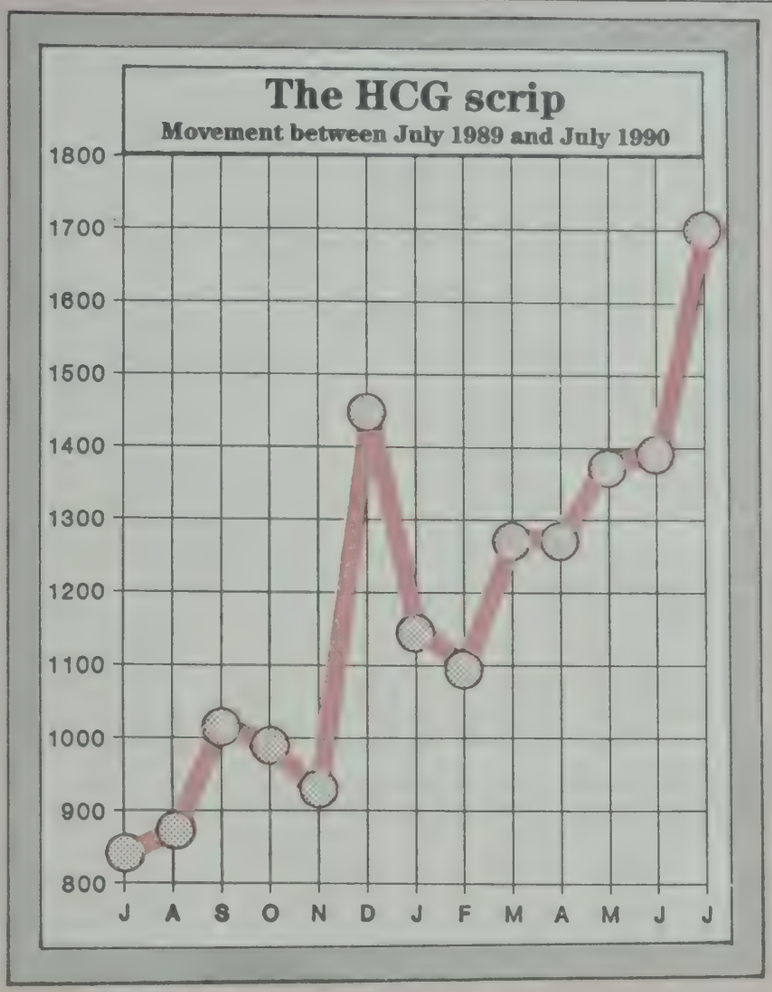
NEOLUXE INDIA

Always Innovative

Neoluxe India Limited
75, Atlanta, Nariman Point, Bombay 400 021. Tel: 242187/231911/2871668.
Branches: Ahmedabad: 397621, Bangalore 324668–325706, Calcutta: 273384, Delhi: 733011, Hyderabad: 236530 Madras: 861916.

versification ys off

iversified product mix of sumer and monsoon-de- dent products has made low-profile Hindustan a-Geigy a star performer the stockmarket over the t two years (*see chart*). t was not always like this. til 1988, the company was wed as a stodgy performer he stockmarket. But after gnating around Rs.450 for years till 1987, the scrip rted to rise smartly with good monsoon of 1988. wever, trading volume re- ined low at 500 shares per until the end of 1989. s reflected the low float- stock of the share: 40 per t of the outstanding 1.77 lion shares are held by a-Geigy of Switzerland 17 per cent by financial titutions. The lay public's ding is estimated at 23 cent or 400,000 shares.



reasing volumes. Trading volume rted increasing around late 1989 en a few bull operators perceived a us potential in the share. As many 18,000 shares, or over 1 per cent of issued equity, were purchased on a gle day — 8 December 1989. Since n, trading volume has averaged 5,000 shares a day, 10 times its earlier level. Around this time, a prominent bull is estimated to have bought over 1 per cent of the issued equity on a delivery basis.

Mutual fund interest has also helped the share — with its steady returns and low debt ratio, it is considered a safe buy even at current levels. Further, being in the forward list of the BSE, it has a reasonable buy-sell spread of Rs.20 or 1 per cent of its price and is easily bought and sold without significant price movements.

The company, in turn, has not disappointed its investors. Its profits grew by 130 per cent between 1988 and 1990. The cash earning per share, an indicator of operational efficiency, has soared from a low of Rs.52 in 1987 to Rs.120 in 1990. The scrip currently quotes at a reasonable price to cash earnings multiple of 14.

However, most marketmen agree that, despite a 40 per cent foreign holding, its bonus record has been conservative. The last bonus, made in 1980 at the rate of 1:2, was repeated this month. With 1990's free reserves having crossed Rs.40 crore against the equity base of Rs.17.71 crore, the company, in the words of a marketman, "is ripe for a bonus".

All in all, HCG has proved to be a good investment. An investor who purchased 10 equity shares in July 1989 would have doubled his capital value from Rs.8,400 to Rs.17,000 in a year.

■ AVINASH GORAKSHAKAR

ugh a team of about 200 sales repretives, its Cibaca brand of toothpaste its way into two million households month, of which 60 per cent are in illages. With "rural incomes having up rapidly in the last two years", vils constitute a rapidly growing seg, according to S. Rajagopalan, al manager of the consumer prodivision. Then again, television has d a major role in fuelling this burng market.

t in the market

the consumer products market grew arly 40 per cent for two years (1987 988) and then began to slow down. again, last year, the market regis- a spurt of 22 per cent over the year e. Not only was the market expanding but also spreading out over a wider base. And with the entry of a number of competing brands, the division had to come up with innovative promotional activity, like mobile exhibitions of short films on the products. These have proved to be quite successful. Simultaneously, radio advertising — which the company had pioneered through its Binaca Geet Mala on Radio Ceylon way back in 1951, long before commercial broadcasting had even started on All India Radio — is being downgraded because research has shown that it is no more a cost-effective medium.

Rajagopalan hopes that his division's contribution to HCG's total sales will go from 16 per cent today to about 20 per cent within a few years. He is therefore worried by reports of new government restrictions on the sale of fluoride toothpaste. HCG produces 900 tonnes of fluoridated paste each year, out of a total output of 2,500 tonnes. "Already sales of fluoride toothpaste have slipped," he says, "from 11 per cent of the total market in 1987 to about 6 or 7 per cent this year." But, he adds, "We believe in fluoride and will continue to market it as long as it is commercially viable." However, Rajagopalan is examining other options as well.

All in all, the signs that HCG is moving out of its earlier lassitude are clear. For the first time in a decade, the company has planned its future carefully. While government policy will undoubtedly have a bearing, Mong-Hansen's legacy and Hartland's fresh approach to growth could well ensure the success of these plans.

■ SUMIT GHOSHAL

TI CYCLES

Stealing a march

Revamping of internal strategies and quick decisions taken during the eighties have ensured a good export market for the bicycle manufacturer

The family-managed Madras-based Murugappa group's TI Cycles of India Ltd will exhibit its products for the first time in the International Bicycle Fair to be held in Cologne, Germany this September. This speaks volumes for the company's determined efforts in the last two years to make a breakthrough in the highly lucrative but competitive European market.

Today, TI Cycles is way ahead of other competitors in the European market. "The three major Indian bicycle manufacturers — Hero, Atlas and TI are among the top ten in the world. Fortunately, TI's product range has reached a stage where it can compete internationally," says T.L. Palani Kumar, senior vice-president, Tube Investments of India Ltd (of which TI Cycles is a division) who, till recently, was in charge of cycles division.

Good turnover

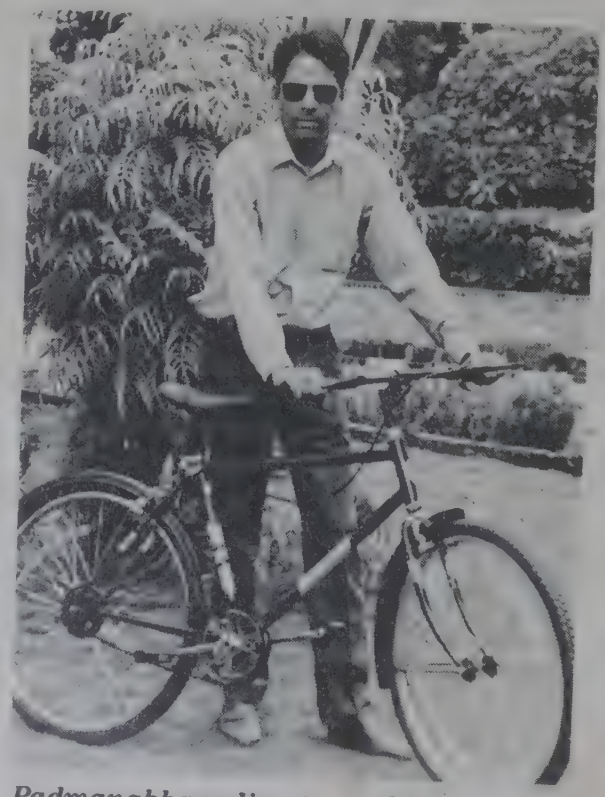
TI Cycles' turnover for the year 1990 is expected to be around Rs.110 crore with sales of approximately 120,000 bicycles. The total number of bicycles sold today is 650,000 and the specialised models number 110,000. Of this, TI's share is 50 per cent. Urban premium brands themselves account for 55 per cent of TI's sales volume and 65 per cent of its turnover — demand for the BSA SLR, a light weight sports model, alone has had a compounded annual growth rate of 28 per cent in the last ten years. Exports reached Rs.1.5 crore in 1988 and is expected to cross Rs.10 crore this year. In the next three years, the company plans to increase it to 25 per cent of its turnover.

TI Cycles was set up in Madras as a pioneering venture at around the time of independence. It began successfully but had to face turbulent times. The seventies offered stiff competition from newcomers, Hero and Atlas, in the north. Market leader, Hero, enjoyed a 25 per cent price advantage and second-in-line, Atlas, a 15 per cent advantage. Also,the 10-month long labour unrest in 1978 crippled the company's cycles division.

In the period 1979 to 1984, the company saw a turnaround with the management adopting a strategy to link productivity to wages and to concentrate on urban market segments and premium brands. It was obvious that TI had to change its focus if it had to survive in the bicycle market. The company began to make profits. BSA Champ, a project for teenagers and the first of its kind in the non-traditional sector, was also introduced in 1984. So what started as a survival strategy became a growth strategy and eventually carried TI to levels of international competence.

However, K. Padmanabhan, vice president, TI Cycles, feels that the shift in focus that entailed concentration on production of standard bicycles, instead of the specialised ones, proved disastrous. Says Padmanabhan, "When we should have been concentrating on specials, our attention got diverted to standards, as opportunities looked good on that front." The result was that when the market for standards dipped in 1985, the company was unprepared both in the specialised and standards sector. The company made losses for the year 1985-86. But they were not going to take it easy.

Marketing was livened up, emphasis was to be in niches where price would not be an inhibiting factor. Manufacturi were cut by 7.5 to 8 per cent in the years — all this being the result work, developed to the maximur at all levels. Team work has thus an integral part of TI today. Says mugham, general manager, TI "Earlier we had a separate proje agement department. But we de implement new projects, moder schemes, total quality manageme niques and so on through the disciplinary team approach and helped us to achieve results in shorter time span."



Padmanabhan: disastrous shift in focus

No looking back

Since 1986, TI Cycles has never back. The launch of premium brands was accelerated. BSA Mach for college goers and geared cyc sports lovers stole a march over models. Says Padmanabhan, "In t ten years, we have launched no le seven brands and none of them failed." The latest brand, Street TI's answer to Hero's highly suc Hero Ranger — is on top of the up non-geared bicycle range. "We star signing this cycle in March and by J are ready for mass manufacturing Padmanabhan. "Three years ago, it have taken us eight months to dev new model, today we are working c ting down the development time b export production demands this."

Revamping internal strategies wa cessful in making this company's ucts internationally competitive government's policy in the eighties couraging exports of bicycles and b components came in handy. TI was ciently induced to modernise its fac and upgrade its technology. Today, ports to countries not as yet tapp the other major Indian bicycle man turers who have generally confi their markets to Africa and Sri Lank

Exports to Europe, mainly West many, consists of forks and frames a moment. This is because many co nents are still reserved for the small sector. They will be scheduled for ex when they come up to global quality dards. Padmanabhan, however, is c dent. Says he, "We will certainly ha move into assembled bicycles." Ar myriad plans, TI Cycles aims to se shop in Europe, and maybe enter huge US market.

■ SUSHILA RAVINDRAN



AND YOU THOUGHT WE ONLY DELIVERED DOCUMENTS!

DHL moves millions of packages and documents around the world each year. In fact, we handle packages of up to 30 kilograms each. Of course, we continue to be the international leader of document air express services as well.

So next time you have a package or document, call DHL. We deliver on time. Everytime.

DHL
WORLDWIDE EXPRESS®

DHL. THE COURIER DIVISION OF AIRFREIGHT LIMITED.

You're in safe hands all the way.

We are listed in the Yellow Pages/Telephone Directories.

We've convince
a few shrimps whil
a lot of chrome

Shrimps and chron
the combination sounds
unusual, that's what the
of Tata Steel's export ven

Operating in a developing c
like India where foreign exchan
big crunch and hard currency ea
national priority, Tata Steel m
determined bid to establish a lon
quality leadership for the Compa
the country in the global marke

In six years, Tata Steel has
into one of the country's l
exporters with a turnover of
crore and with markets in the
Japan, Australia, China, New Ze
Bangladesh, Taiwan, Indo
Malaysia, Saudi Arabia, Qatar, E
Turkey, West Germany and
countries. In spite of major impo
equipment and raw materials f
on-going modernisation drive,
Steel is today a nett exporter. A



he Japanese to take
aving

-87, the Company won the igious Regional Top Exporters ld.

Once again the pioneer is ading its expertise and experience ver the world to ensure a more ful future.

Steel Exports:

and -based neering ucts	- Wire rods, re-inforcing bars, structurals, tubes, wires, bars, cranes, rolls, bearings, etc
Materials	- Chrome ore & concentrates, manganese ore, ferro-manganese, ferro-chrome, charge chrome, refractories, etc.
modities	- Black pepper, coffee, black tiger shrimps.



Mixing business with leisure — The Director, Raw Materials (Commercial) with the Japanese buyers

TATA STEEL

DECADE OF EXPORTS

1990 2000

TATA STEEL

The first and still the foremo

GENIUS 486

WIPRO

TAMING POWER INTO PERFORMANCE FOR YOU



The Genius 486 is sheer horsepower. Twice as powerful as any other AT 386! Its fast pace speeds response time and throughput (zero wait-state operation). It takes the reins on software (running powerful RDBMSs like ACCELL, INGRES, ORACLE, SYBASE), bears more load in number crunching (twice that of 80386 + Weitek 3167), is ready for every rider with multi-user facilities and is charging towards tomorrow. Genius 486. It's power that you can harness.

The Genius 486 is of pedigreed stock. It comes to you from Wipro. The trusted name in computers. Innovator and pace-setter. The company that's a byword for technical capability and complete customer satisfaction.

A real thoroughbred.

Genius 486

The supermicro with tremendous horsepower

WIPRO INFORMATION TECHNOLOGY LIMITED

88 Mahatma Gandhi Road
Bangalore 560 001
Tel: 569622

80386, Weitek 3167, ACCELL, INGRES, ORACLE and SYBASE are the registered trademarks of Intel Corp., Weitek Corp., Unify Corp., Ingres Corp., Oracle Corp. and Sybase Inc., respectively.

EL INDUSTRIES

erformance worth ıe name

ompany, with its home grown technology, has managed to carve a niche elf in the area of industrial and agrochemicals, and its efforts in the ion of exports have also paid dividends



ulfan being packed: Excel's mainstay

hroff, the founder of Excel Indus- elieved that technology could not e developed in India, but could be ped using ordinary equipment in ensive plants. In 1956 he had set up t in London to manufacture the in- al chemical mercury chloride, using ology developed by himself. And the ct matched the world's best in qual- yet cost a lot less. (He subsequently ıe plant to the British company Bid- wyer.) Shroff died in 1968 but his ophy still remains the force behind .113 crore Excel Industries' drive wth and excellence.

el holds the distinction of having ocess breakthroughs to its credit in ea of industrial and agrochemicals. in 1941, the company is now the t and one of the only two manufac- in the world, of endosulfan, an in- de widely used for crop like cotton, rd and sugarcane. The product was nsible for 35 per cent of Excel's sales ar.

company's technological break- ghs, however, have not always been ıed by consistent financial success. But after seven years of sluggish growth, the year ended March 1989 proved to be particularly good. Turnover shot up by 53 per cent on an annualised basis, margins doubled and net profits multiplied seven times — from Rs.60 lakh in 1987 to Rs.7.17 crore in 1989. Sale of pesticides — which increased by 50 per cent — was primarily responsible for the high profits.

In an industry where big multinationals like Cynamid, Bayer and Hindustan Ciba Geigy are the major players, Excel with its home-grown technology has managed to carve a niche for itself. But it has been a long haul — from a small kitchen turned laboratory to a big company with five large plants at Jogeshwari, (in Bombay), Amboli, Roha and Lote Parashuram in Maharashtra and Bhavnagar in Gujarat, from extraction of silver out of waste films to an impressive array of vital industrial chemicals and pesticides, from a three-man team to a total manpower strength of over 2,500, from a total turnover of just Rs.30,000 in 1941 to a turnover of Rs.113 crore, in 1990. From its share selling at Rs.22.25 in 1984 to an asking price of Rs.244. Says chairman Darbari Seth, "This is excellent performance and I see the company doing better in the future".

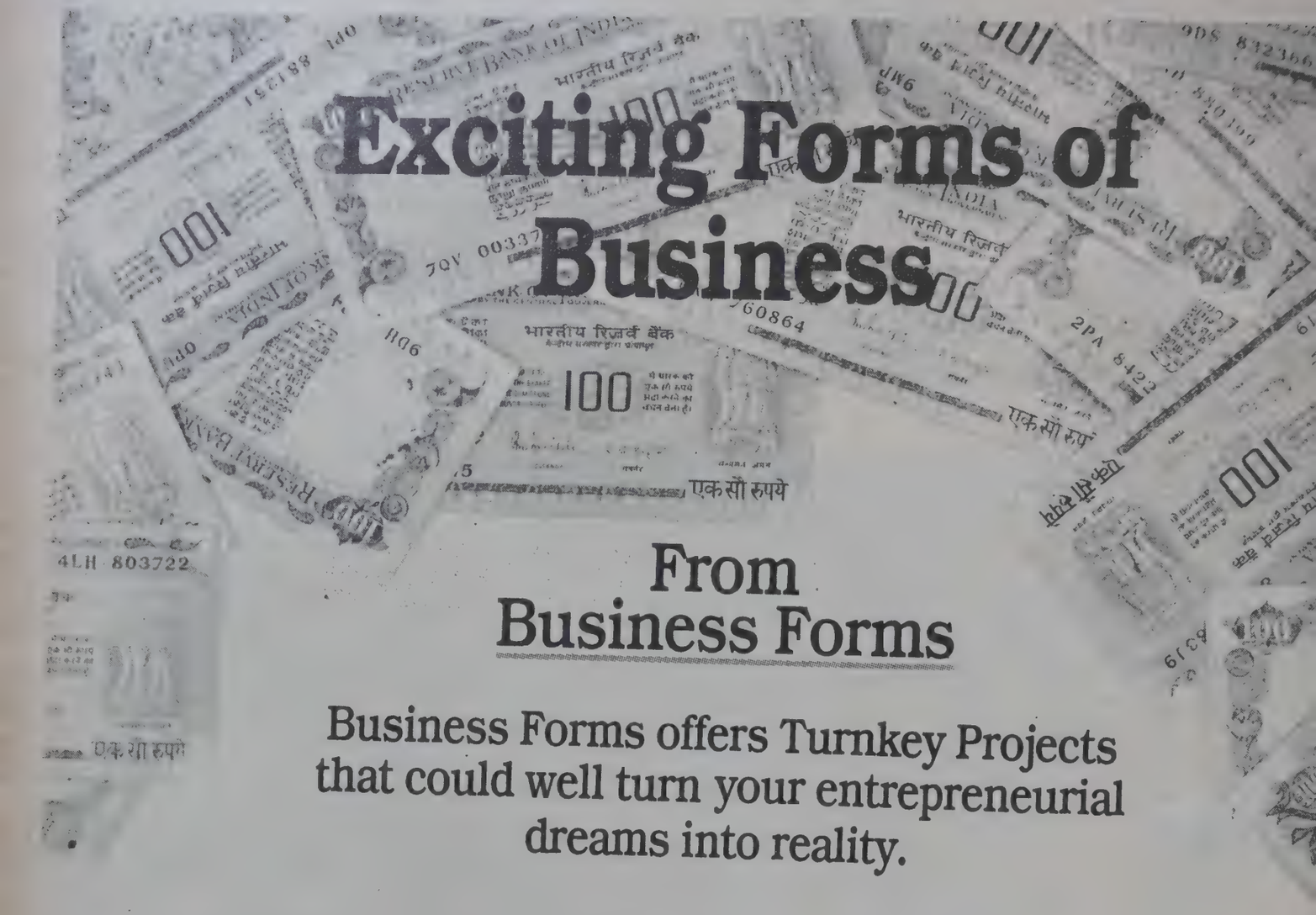
Excel has passed through several distinct phases. During the period between 1941-47, Excel was run by C.C. Shroff and four other partners who contributed to the Rs.10,000 capital. By 1947, the partners had sold out because it was more or less a family concern of the Shroffs. The company, which began operations by manufacturing zinc chloride gradually went on to make inorganic chemicals like mercury chloride, mercuric oxide, mercuric iodide etc as well.

A big change came in 1965, when the Shroffs, strapped for cash, sold 17 per cent of Excel's equity to the now defunct Tata-Fison, an industrial chemical company. The Tatas, through Tata Chemicals and partly through Rallis India (with whom Tata Fison was merged) still retain their stake, and Darbari Seth continues as chairman. But the industrial giant has never tried to influence Excel's management decisions, according to K.C. Shroff, the younger brother of C.C. Shroff and the company's current managing director, "The Tatas have given us guidance but we have retained the freedom to operate," he adds. Says Seth, "We are very happy with the way the company is run. Our role is purely of a suggestive nature. We don't interfere with the management of the company." Excel went public in 1971, the Shroffs retaining 17 per cent of the shares themselves. The institutions hold 15 per cent and the public around 50 per cent of the total shareholding of Rs.4.62 crore.

One product dominance

The company's current range of industrial chemicals include phosphorous derivatives, oxalic acid and mercury chloride. But pesticides, mainly endosulfan, was responsible for 67 per cent of Excel's turnover last year — a fact that is worrying because it means the company's turnover is tied to the fortune of one product, whose sales depend on the vagaries of the monsoon and the resulting crop. Says Sanjay Shah, managing director of Star Chemicals, a competitor, "Excel's performance for the past two years is extremely good mainly due to buoyant conditions in the endosulfan market. Prior to 1988-89, they did not have a consistent performance."

Excel's thrust on pesticide production is a relatively recent development. Till the late seventies, the company coasted along comfortably concentrating largely on industrial chemicals — manufacturing them and also developing processes that



Exciting Forms of Business

From Business Forms

Business Forms offers Turnkey Projects that could well turn your entrepreneurial dreams into reality.

We have exciting turnkey projects to offer for those who want to venture into new areas of business. And also for organisations looking for diversification projects for vertical and horizontal integration or expansion.

The investment levels range from Rs. 25 lakhs to Rs. 200 lakhs. The projects are especially designed to ensure easy implementation with low gestation periods. And they are all in high growth opportunity areas. In fact, many of the projects set up by us in India and abroad are running successfully yielding good returns.

The Projects:

1. **Packaging** : Complete knowhow and supply of plant and machinery for flexible packaging materials.
2. **Film Ribbons** : For Electronic Typewriters. A vast market with tremendous growth potential.
3. **Acrylic Emulsions** : For the paint and leather industry and a whole range of adhesives for all types of applications.
4. **Pressure Sensititve Labels** : For appeal on consumer durables.
5. **Glue Sticks and Stick-on Note Pads** : For office and household uses.
6. **Computer Forms** : To meet the evergrowing forms industry.
7. **Microencapsulated Products** : For encapsulation of cosmetic oils and other liquids for the health-care industry.

All these projects offered are based on our expertise in equipment designing and chemical R&D done in-house. We also design and manufacture custom-built machinery like Coater-Laminators, Printing Machines and Slitter Rewinders.

For your specific interest, write to us or just call :

Business Forms Limited

Machinery Division

1/2 Digla Road, Calcutta 700 028 Phone : 56 9209, 56 9271 Telex : 021 5551 BFL IN

Ahmedabad 400749. Bangalore 212406. Bombay 233679. Calcutta 292004. Hyderabad 823234.
Kanpur 210168. Madras 478784. New Delhi 6415210.

sold to outsiders in the form of turn-rojects. Industrial chemicals, how-was never a high growth area and 38 years since its inception, Excel's ver was just Rs.15 crore in 1979. t the mid-eighties saw the company's ns take a dip. Rising input costs and ased interest burden on account of nsions and modernisation pro-mes, combined with three years of ght in large parts of the country, con-ed towards the setback. As against a of Rs.2.7 crore on sales 38 crore in 1983, the figures read just Rs.79 and Rs.45 crore ctively.

wever, by 1988, Excel's nes changed again. The and the resultant in-e in crop cultivation di-pushed up sales of ides. Also, towards the ighties, cotton, tobacco ugarcane farmers real-that a popular insect they were using — syn-pyrethoids — was los-s effectiveness, pests ning immune to them. 's endosulfan seemed a replacement and the any's sales suddenly up.

uction increased

sulfan, a powerful ide capable of destroy-ver 400 species of in-and pests, was factured at Excel's Bhavnagar And all through the early eighties mpany was just breaking even, with duction of four tonnes per day. How-when demand picked up towards production was increased to 15 s per day. The quality of the techni-ade endosulfan was also improved antially. "On a par with world stan-, Excel is the second largest pro-of endosulfan in the world," says a manager for Hoechst (India) Ltd. e the ball was set in motion the rest ed easily enough. The imports, were high and ate into the com-s profits, were reduced. This was y using the entire quantity of phos-us manufactured for making only ulfan, and also by setting up a ediol plant in 1985, for captive use. , only 50 per cent of both phospho-nd butenediol (the other raw mate-rial) have to be imported as against 100 per cent earlier. "Our main aim has been import substitution, so we start with the end product, and then integrating backwards, make raw materials for it," says a senior manager of Excel. Adds Shroff, "We strove to increase efficiency in all processes in all the plants. Our cost consciousness at project level and painstaking efforts by every member of Excel eventually paid off."

The agrochemicals made by the company are marketed through branches and an efficient distribution network within the country. The main buyers are companies like Bayer, Cynamid, Hoechst, Ion Exchange, Sandoz and others. Today, 65 per cent of the 4,000 tonne per annum production of endosulfan is sold to other formulators, 20 per cent is converted by Excel into formulation and the rest (15 per cent) is exported. The well-established marketing network spreads through all states of the country. "We are constantly striving to improve our customer service facilities," says Dipesh Shroff, nephew of the late C.C. Shroff who looks after finance and marketing.

Excel's efforts in the direction of exports have also paid dividends. All over Europe and America production of pesticides is being reduced, due to strict pollution control measures, and Excel is exporting 660 tonnes per annum to meet part of the international requirement of 1,500 tpa. The company's products, already well-known in international markets, has received 11 awards for exports in the last decade. Exports have gone up, from Rs.5.81 crore in 1987 to Rs.18.12 crore in 1989, fetching a ten fold hike in export benefits to the tune of Rs.3.74 crore. Indirect benefits of importing duty free raw materials amount to Rs.1.86 crore.

The company's increased dependence on endosulfan, for a major share of its profits no doubt, might prove to be risky in the long run. Critics say, like in the case of pyrethoids, the farmers would one day shift from endosulfan to some other new pesticide and the company would be in a lurch. Excel officials are well aware of this problem and hence have been trying to increase sales of their other pesticides like fumigant celphos, rodenticide, zinc phosphide and fungicide sulfex.

The company is contemplating expansion into other areas, particularly those that are environment-related — an ironic choice, considering that Excel had been accused in the past of violating pollution and industrial safety regulations. The company also plans to manufacture water treatment chemicals and flame retardants — a logical move, since water processing is an integral part of production of compounds and flammable chemicals like phosphoric and sulphuric acid. "However, unlike conventional products, in the case of such products, markets have to be created," says Shroff.

Experiments are underway for putting industrial waste to productive use. The phosphorous slag in the Bhavnagar plant is being used to produce ceramic tiles. Excel is planning to manufacture very high quality sodium penta chloro phenate (SPCP), an industrial fungicide which is now being imported. They are also thinking in terms of diversifying into hitherto unknown fields like plastics, paints, etc. As Shroff characteristically explains, "The philosophy of Excel has always been to create new products and explore new avenues."

■ SHAMPA KAR



Shroffs — KC and Ashwin: adhering to the founder's philosophy

KUWAIT CRISIS

Engulfing India

Though remittances have flooded into the country in the last fortnight, the earnings of NRIs are likely to decline in the longer term

Last fortnight, banks in Bombay were suddenly besieged by a flood of remittance advices from the Gulf; the shock waves of the Middle East crisis had reached Indian shores. One multinational bank had to deploy five times the normal staff at its remittances counter to cope with the deluge.

The same scene has been re-enacted in almost every bank with Gulf-related business. The rumour was that remittances made since Iraqi tanks rolled into Kuwait on 2 August have been to the tune of Rs.3,000 to Rs.4,000 crore ($1.5 to $2 billion). Dark humour circulated — it looked quite like a solution to India's foreign exchange problem had miraculously presented itself!

Two days after Saddam Hussein's excursion into Kuwait, many banks in Kerala, the state to which the largest section of Indian migrant workers in the Gulf belong, stopped encashing Kuwaiti dinar instruments. A handful of banks continued to honour cheques and drafts. but by 10 August no bank risked spot buying or encashing such instruments. The State Bank of India (SBI) in Trivandrum stopped dealing in all Middle Eastern currencies and accepted these instruments only on collection basis. words, the instruments drawn currencies were accepted by ban posits; withdrawals were not p till balances were confirmed by banks.

Correspondent arrangements

Banks in India do their business states either through their own b like the SBI, or they have corres arrangements with either a forei cal bank in the Gulf. Most India operate through Citibank branch others have correspondent arran with one of Kuwait's commercia For instance, the Federal Bank, a private sector bank in Kerala, c its business in the Middle East the National Bank of Kuwait. Bank has an international busi Rs.118 crore, a substantial por which is from the Gulf.



Arabs outside the Kuwait consulate in Bombay: what about our problems?

A TOUCH OF HOME IN NEW YORK AT $32* A DAY.



Now CHATWAL HOTELS offer Indian business and vacation travellers a selection of six comfortable hotels, all located in the heart of Manhattan. Within walking distance of major business and shopping centres, the Rockefeller Centre, Broadway Theatre District, Empire State Building, world famous museums ...

Comfortably priced, each CHATWAL HOTEL features rooms with cable colour T.V., direct dial telephone and individual climate controls. Add to it a complimentary continental breakfast and discount coupons for Indian meals at Bombay Palace and Mexican at Zona Rosa.

For further details and bookings, contact your Travel Agent or the nearest SITA office. And discover the most convenient CHATWAL HOTEL for your needs and comfort.

SITA
WORLD TRAVEL (INDIA) PVT. LTD.

Head Office:
F-12, Connaught Place,
New Delhi-110 001.
Phone: 331-1122 & 331-4152.
Fax: (011) 332 4652.

• Days Inn on 48th Street • Quality Inn Midtown on 47th Street • The Best Western Woodward on 55th Street
• The Chatwal Inn on 45th Street • The Chatwal Inn on Park Avenue • The Aberdeen on 32nd Street

NEW YORK WITH SITA

□ AGRA 74922 □ AHMEDABAD 409105 □ BANGALORE 578091 □ BHUBANESHWAR 54408 □ BOMBAY 233190 □ CALCUTTA 291204
□ COCHIN 353012 □ HYDERABAD 233628 □ JAIPUR 68226 □ KANPUR 52948 □ MADRAS 470985 □ NEW DELHI 3311122
□ PUNE-663775 □ SECUNDERABAD-834007 □ SRINAGAR-78891 □ VARANASI-42945 □ VELLORE-26711

* Rate per person per night on twin sharing basis. Applicable taxes extra.

Normally, professional NRIs working in the Gulf remit their consolidated savings, of about Rs.2 lakh, once every two or three months. An NRI remits money via telex or sends a demand draft. Some money is also received through *havala*. Remittances through telex are credited immediately into the NRI's account. DDs, however, require a confirmation from the originating bank which takes about a fortnight. This process is further complicated if the DD is in a Gulf currency: the bank here then insists on a cover by way of a corresponding dollar balance in a New York bank.

So when banks in Kerala accepted instruments on collection basis, it meant the NRIs' cash was blocked for at least 15 to 30 days. If the crisis remains unresolved, the money will be blocked indefinitely. For families which depend solely on money coming in from the Gulf, it means hard times.

Soon the State Bank of Travancore stopped paying even the rupee drafts originating from Kuwait. Most other banks, still trying to understand the turmoil — made worse by the lack of information or advice from the central government or the Reserve Bank of India — stopped discounting Kuwaiti and Iraqi dinars.

"We had to take such a harsh decision because the world markets stopped trading in the Kuwaiti dinar," says a foreign banker, "there was no quotation or cover offered for the currency." Needless to say, bankers shied away from the possible losses such transactions could include.

Those fleeing the Gulf found themselves stranded at the airports. The local media was quick to highlight the returnees' grievances. Local politicians and the government in Kerala soon followed suit. Comments a Keralite, "The government could have taken some steps to alleviate people's problems much earlier. All it would have meant was some rupee losses, which the government incurs anyway through loan write-offs or loan melas."

Temporary measure

It was only on 10 August that the RBI formally decided to allow exchange of Kuwaiti dinars, at Rs.25 a dinar, up to a limit of Rs.5,000 per passport. A. Ghosh, deputy governor of the RBI, says this was a temporary measure taken to help those who were stranded. Three days later, the RBI permitted the exchange of four other major Gulf currencies — the Saudi and Omani rials, the UAE dirham, and the Bahrain dinar. The rates were fixed by the Foreign Exchange Dealers' Association of India (FEDAI), but will be periodically reviewed. The RBI has also made arrangements with some Arab banks to lift the exchanged currency.

No doubt, exchanging a dinar meant the NRI lost more than h dinars' worth before the crisis – Rs.55 to Rs.58. But considering open market rate came down to as Rs.4 this was more than welc Ghosh says, the rate was fixed mo a 'humane' than any other consid Whether eventually the RBI profi will only be known only after t these currencies recommences i markets. Ghosh claims that the the first central bank to take a dec conversion; other central banks, are still watching developments.

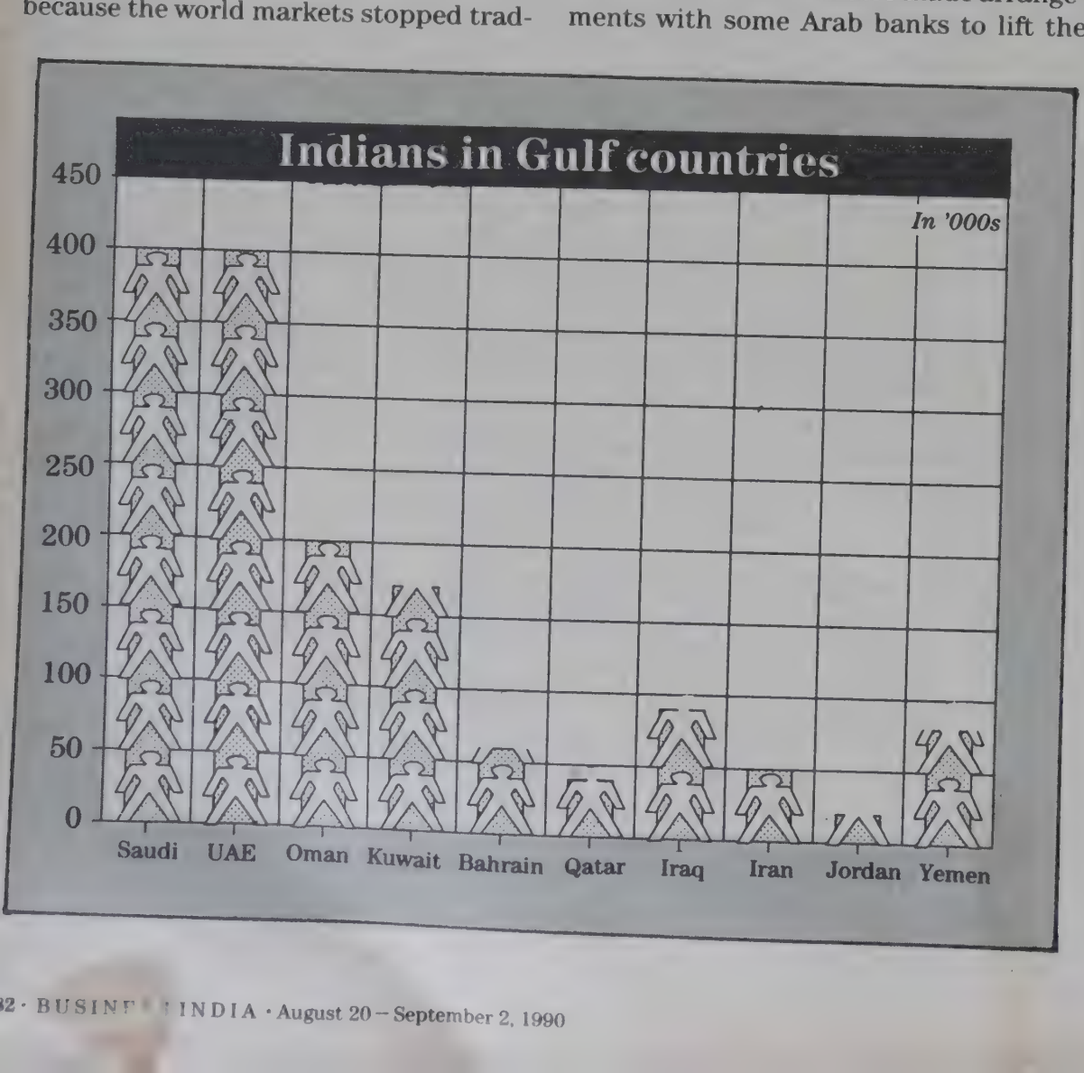
The caution that central banks the world are exhibiting is justifie the Iraqi government's decision change Kuwaiti and Iraqi dinars the Kuwaiti currency stands de tenfold. If this ratio is internationa ognised, the losses will be enc Also, given president Hussein's teristic belligerent stance, there is tinct possibility that remittance Kuwait will be frozen.

No cause for panic

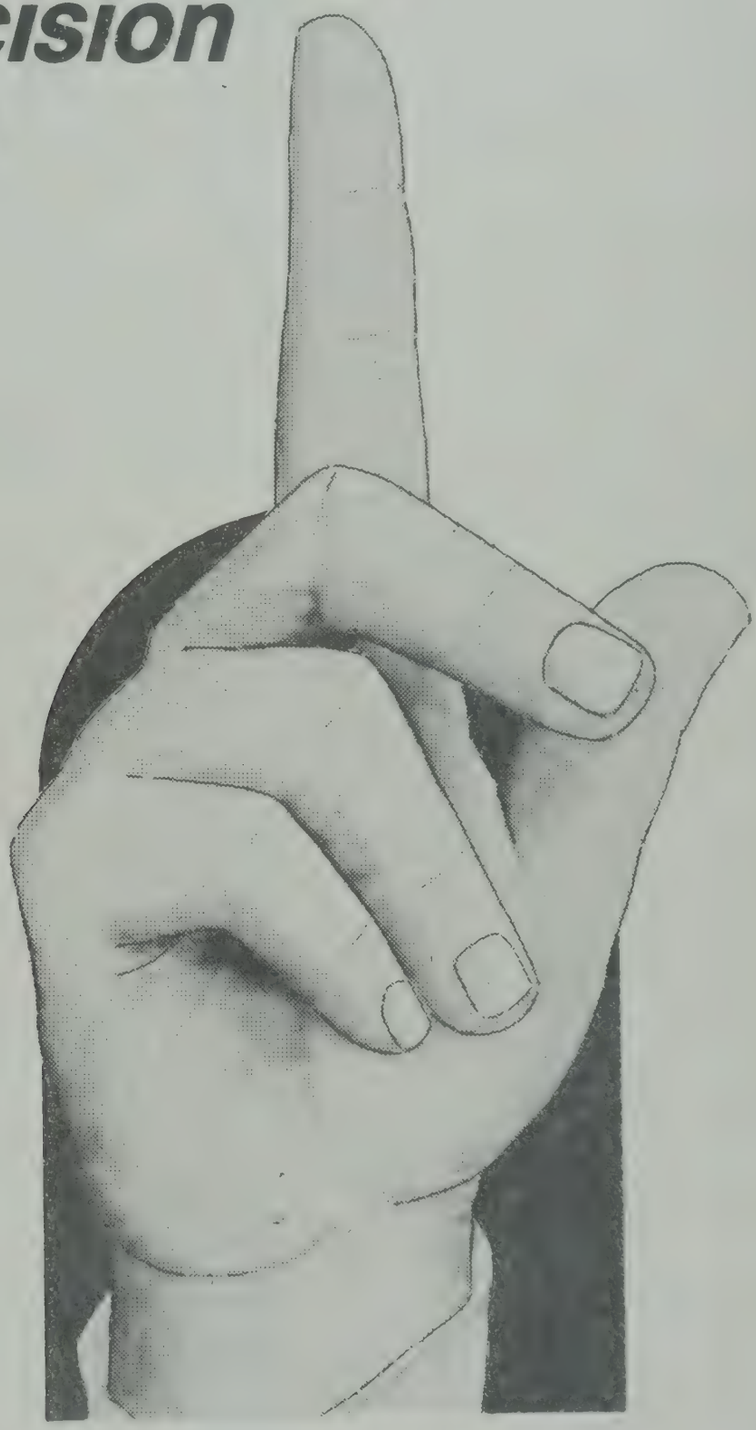
Girija Pande, ANZ Grindlays' g manager for investment banking ever, sees no reason for panic. Says who returned last year from Bahr ter a long stint there, "The ability governments to honour their pa obligations is never doubted. Stil possible that the banks there may temporary liquidity problem beca the withdrawal of inter-bank lines."

Indeed, in the UAE, as elsewhere Middle East, the scramble for d pushed rates up to 4.25 dirhams a on 10 August against the official 3. rhams. According to A. Banerjee, executive of the British Bank of the dle East, dollars commanded a 1 cent premium. Not just foreign bus men, but locals too insisted on payi in dollars. An RBI official confirms very few NRIs who came in after the exchanged dinars; most brough dollars.

Interestingly, Ghosh points out tha spite the large numbers of NRIs co in, the demand for exchange is low. means that the expatriates are retur with only their residual savings. Two tors seem to support Ghosh's obse tion. Gulf countries have sum vacations now and many NRIs are alr in India with their families on hol



In exports, merchant banking and industrial finance, a snappy decision makes all the difference.



LVB. For speed.

The Lakshmi Vilas Bank Ltd.
Karur 639 001.

Chairman: **I. Sada Siva Gupta**

Our business is to help solve your problems.

Shruti/M/LVB/9024

bringing with them a considerable part of their savings. And those who have remained in the Gulf, especially those from Kerala, sent their savings to families here for Onam, which was just before the crisis. These factors alone are reason enough to doubt the estimates that Rs.3,000 to 4,000 crore has been remitted since 2 August.

Surprisingly no one — not even the RBI or the foreign banks — is quite sure of the magnitude of annual remittances from the Middle East, let alone those in the last few days. The RBI's exchange data does not classify the Middle Eastern currencies as a separate group; as a result, only approximations are available. However, an executive of a foreign bank, which has a large presence in the Gulf, says that his bank's "daily collections are now equal to the normal monthly collections." At the most, some estimate that the total remittances are around Rs.1,000 crore.

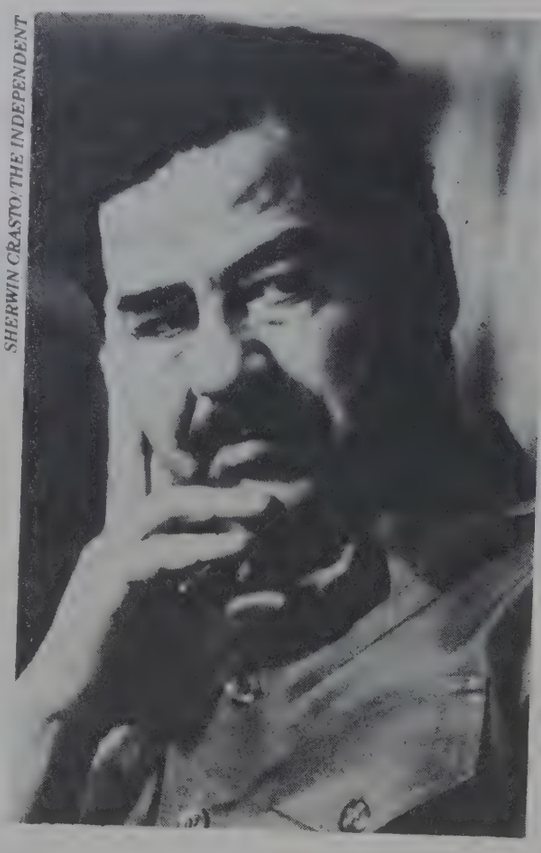
Unrealistic estimates

Another conservative banker, in fact, estimates that only Rs.540 crore has come in. Had the figure been Rs.3,000 crore, he says, bank deposits would have shot up in the past week, which they haven't. In fact, India's money markets would have crashed under the flood of dollars and the RBI would have immediately enforced an SLR hike.

Many past studies seem to support this banker's estimates. Economist P.R. Gopinathan Nair, for instance, once estimated that Kerala received about Rs.60 crore a year in (legal) remittances from the Gulf between 1975 and 1986. Illegal transfers — in currencies, precious metals, consumer goods and equipment — push receipts up to about Rs.900 crore.

The Kerala government too estimated in December 1987 that the average migrant worker remitted Rs.10,455 in 1986 and that the total remittance from the Middle East was Rs.315 crore a year. The Indian Banks' Association put the figure at between Rs.500 and 800 crore a year. Given the panic that the Iraqi invasion spread, Rs.540 crore in remittances in the last fortnight does not seem to be unrealistic.

Bankers don't expect the flow to dry up; they believe it will continue for at least another fortnight, provided the Middle Eastern central banks don't take the extreme step of freezing foreign assets in their countries. However, Ravish Chopra, manager, western India, Hongkong Bank, expects that with the residual savings already having come in, the flow of remittances will slow down soon. Also, the fear of an immediate escalation in the Gulf which was palpable last fortnight, has started receding.



SHERWIN CRASTO/THE INDEPENDENT

If the crisis in Kuwait continues, NRIs may decide to return permanently, severely cutting total remittances

Chopra also sees a benefit in the entire sequence of events. He points out that the conditions provide "an ideal opportunity to market India to the NRIs". In any case, NRIs who invest in dollars prefer to invest in India because of the depreciating rupee. This gives them more rupees for their dollars in the years to come. Also, the interest on the foreign currency non-resident (FCNR) deposits is still more attractive than those in foreign markets. And most important, no other government's guarantee is as good as one's own, especially in times of crisis.

The money pouring into India at present is in FCNR accounts and is likely to stay here for at least six months — the minimum lock-in period for FCNR deposits. It may even stay longer, provided the RBI can maintain the interest rates and confidence in the Indian economy.

But that seems to be an uphill task. The most visible effect of the Gulf cr the declining purchasing powe atives of these NRIs, particula ala. This, in turn, will ef production and trade, and may unemployment. If the crisis continues, NRIs may decide to r manently, further aggravating lem by severely cutting total re Pande of Grindlays, however, e hanced employment opportu Indians after the current cri solved, as happened after the war.

More to worry about

The possible drop in remittance that India will have to worry ab aftermath of this crisis. In ad money sent in regularly by NR also earns foreign exchange fro from the sale of rice, tea, coffee, s shew, marine products, gems a ery, engineering goods and garments. This amounted to crore for 1988-89, while export spices, engineering goods and s Iraq brought in another Rs.52.86 the national exchequer that y present crisis in the Gulf will di fect this valuable source of earni

Construction projects in Iraq going to be affected. In 1986 a value of these projects secured was Rs.525 crore. This was already the value of contracts secured and is estimated to be significantl at present. And ever since preside sein began the campaign to dem his might in the Arab world, banke been unable to work out the amounts owed to them by way of finance.

The worst hit, of course, will be ports. As per earlier plans, India import around 18 million tonnes o this year, at an optimistic governm timate of Rs.6,500 crore — the sam the last year. But that, obviously, work now. Experience has show once the price of oil shoots up, it long time to come down. And with skyrocketting — up from $18 to $2 rel, at the time of going to press conservative estimates say that the will go beyond Rs.10,000 crore — cessively steep bill for the Indian omy to foot.

■

ALPANA KILL
with K.G. KUMAR in Tri
and TINA GILL in N

STIC SODA

n upbeat mood

pswing in the fortunes of end-user industries, among other reasons, has scitated this once sluggish industry. But production is fast outstripping and and there is danger of a glut in the domestic market

celebration time for the caustic soda stry. Turnover and profits of most ufacturers have registered big in- ses. Their share prices have shown un- edented rises and existing capacities eing expanded. Clearly, the three-de- -old industry never had it so good.

ough made from common salt, caus- oda is an essential raw material used dustries ranging from paper, cotton les, viscose staple fibre, soaps and de- ents to aluminium, rayon tyre cord glass. Says G.P. Goenka, chairman of onal Rayon Corporation (NRC), h produced about 22,000 tonnes of tic soda last year, "The market, which the upswing right now, will continue oom in the near future as well." The stry began with an initial capacity of nd 20,000 tonnes per annum (tpa) in mid-fifties; today it has grown into a 600 tpa industry worth about Rs.750 e.

avourable policies

stic soda manufacturers, however, troubled in mid-1986 by unfavour- government policies as well as per imports. It was estimated that nd 100,000 tonnes of caustic soda dumped in the Indian market, mainly by Saudi Arabia at prices ranging from Rs.1,500 to Rs.2,000 per tonne cheaper. In 1987, however, the government shifted the import of caustic soda from the OGL list to the restricted list. It also imposed a high import duty of Rs.3,500 per tonne.

Things began to look up after 1987 and the capacity utilisation of the units improved from 66 per cent in 1986-87 to 79 per cent in 1989-90. Though this increase was marginal, buoyant market conditions led to an increase in the price to the end-user from Rs.8 to Rs.14 per kg.

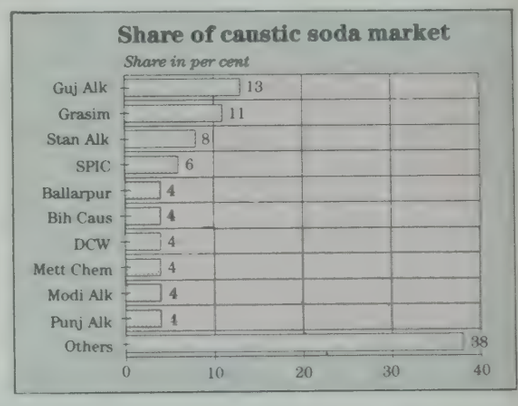
Today there are about 40 units all over the country which produce almost the entire requirement of the domestic industry. Almost all have fared well, as is evident from their operating results — with gross margins in the range of 18 to 19 per cent. Among the recent noteworthy performances is that of Modi Alkalies & Chemicals Ltd (MACL). For the year ending 31 March 1990, the company's sales was Rs.43.34 crore, an increase of 48 per cent over the previous year. During the same period, the gross profit increased by 25 per cent to Rs.10.35 crore.

Giants like Gujarat Alkalies Chemicals Ltd (March 1990-end sales: Rs.102.33 crore) showed a gross profit margin (GPM) of 17 per cent. Sree Rayalseema Alkali, in its very first year of operations (1989-90), reported a cash profit of Rs.2 crore in eight months on sales of Rs.11.14 crore.

As expected, the stock exchange quickly noticed the upward trend in this industry and some scrips have shown an unprecedented rise. Most are being quoted at much above their face value. DCW, which was quoted at Rs.40 in December 1989, is being quoted at Rs.90 this month — an appreciation of 125 per cent. Over the same period, Punjab Alkali has increased from Rs.24 to Rs.37.50 and Modi Alkali from Rs.18 to Rs.24.

The demand-supply equation

Even a cursory look at the production figures and demand growth over the years reveals that the industry is reaching historic heights. In 1979, for instance, against a demand of 610,000 tonnes, production was 570,900 tonnes. But by 1984, production — (700,400 tonnes) was more than the demand of 694,000 tonnes. This trend continued over the next few years as well and last year, while demand was for 940,000 tonnes 954,480 tonnes was produced. But in the absence of dumping by foreign manufacturers as in the mid-eighties, demand seems to have matched supply.



"The main reason for most caustic soda companies doing well is that the end user segment for this product is thriving, particularly industries like viscose fibre, rayon tyre cord and paper," says Y.A. Kapasi, MACL's general manager (marketing). Two successive good monsoons have made the power situation somewhat better (power costs constitute about 40 per cent of the raw material cost for any caustic soda unit). The high cost of setting up new projects is also a major deterrent to potential entrants to the field. The average gestation period for a new 33,000 tpa plant is about two years and costs Rs.50 crore. Hence, existing manufacturers are able to expand their capacities to meet the



t at NRC: substantial contribution to the industry's production

growing demand. "It is uneconomical to set up a new plant at today's costs", says NRC's Goenka. "Manufacturers therefore prefer to either expand or modernise existing facilities."

Thus, MACL's plant at Alwar in Rajasthan, which now produces 120 tonnes of caustic soda per day, is being expanded to produce 160 tonnes per day by 1991. Similarly, Chemplast's capacity is being hiked from 140 to 200 tonnes. Most companies which are expanding capacities are switching over to membrane cell technology. Two companies — Gujarat Alkalies and Sree Rayalseema — have already made this changeover. Standard Industries Ltd is in the process of converting its Uhde mercury cells into membrane cells. Chemplast has an ambitious Rs.30-crore plan to switch to the new process within the next two years.



Kawaljit Singh and Krishan Kumar: cashing in on the upswing in the market

Upgrading technology

The new technology eliminates the use of mercury, a pollutant, and is also about 30 per cent more productive using the same amount of electricity. To encourage the use of this new process and to optimise power consumption, the government is allowing a 35 per cent concessional duty on imports of selected plant and machinery. At the same time, financial institutions have also started providing concessional loans of upto Rs.6 crore to such units.

With a view to cash in on the demand for this new technology, Titanor Components Ltd (TCL) was recently promoted a of Rs.8.6 crore by Kamaljit Singh, man of Alfa-Laval (India) Ltd Krishan Khanna, vice chairma Hoganas India Ltd. Titanor is being in technical and financial collabo with De Nora spa. of Italy, which ha

more than two-thirds of all existing
nology and components required for
tic soda. "The market in this field is
big," says Khanna. "Within six years,
nor should have sales in the region of
00 crore per annum."

espite the enthusiastic expectations,
problem areas still remain. In recent
, high cost pressures have been expe-
ed on two vital inputs — industrial
e salt and power. Since 1988, the in-
ry has been facing difficulties in pro-
g salt in adequate quantities and at
omical prices. "Salt is a big problem,"
V. Sundaraman, executive director of
's heavy chemicals division. "In the
two years, industrial salt production
been 15 to 20 per cent below normal."
ne power situation, particularly in the
hern and southern states, is not very
fortable and this has directly affected
tic soda manufacturers in these re-
s. In 1987-88, for instance, power cuts
in the range of 35 to 40 per cent. It is
isely to combat the problem of erratic
er supply that Grasim Industries,
se caustic soda production increased
92,082 tonnes to 108,378 tonnes last
, is setting up an additional 25 MW captive power plant at Birlagram in Madhya Pradesh. Similarly, Chemplast is importing a 6 MW genset which, when coupled with the existing gensets, will enhance the captive generation capacity of the company by about 35 per cent.

Onto the bandwagon

These problems, however, are in no way deterring many major players who are all set to enter this lucrative industry where production is expected to grow at the rate of 5 to 7 per cent annually. Leading the pack is Finolex Cables Ltd, which is setting up a PVC resin plant at Pawas in Maharashtra's Ratnagiri district. "Chlorine manufactured by Finolex will be captively consumed by the PVC plant and the caustic soda will be sold as a by-product," says chairman Prahlad Chabria. And Bhadrachalam Paperboards Ltd (a subsidiary of ITC Ltd) is also planning diversification into caustic soda. A Rs.60 crore plant will not only handle Bhadrachalam's captive consumption, but will also leave some produce to be sold in the market.

In April 1990, additional new capacities totalling 345,000 tonnes were sanctioned for 12 companies including Indian Aluminium Co Ltd, Reliance Industries Ltd and Varinder Agrochemicals Ltd. According to one estimate, the demand for caustic soda will increase 1 million tonnes by 1991-92 and to 1.4 million tonnes by 1994-95. While C.H. Krishnamurthy Rao, chairman of Chemfab Alkalies, says, "The new capacities will create a glut and we will end up cutting into each other's market," others are not so pessimistic. "The freshly licensed capacities are expected to materialise only by the end of 1992," says an industry analyst. After that, units set up as captive plants to cater to the requirements of specific end users will not be affected much, but those catering to the open market will have to look towards newer markets.

Exports is one area which has a lot of potential. A modest beginning has already been made with the export of 16,000 tonnes during 1988-89. If caustic soda manufacturers can exploit this area as well, there is no reason why they cannot sustain the present boom.

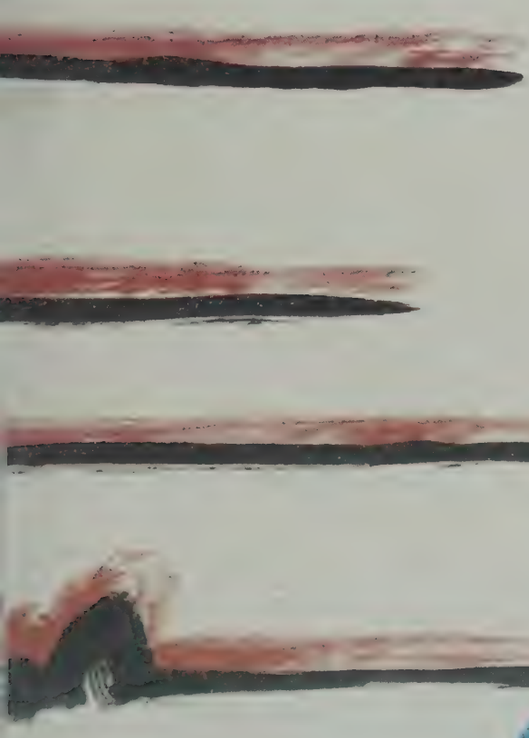
■ RAJU BIST and AVINASH GORAKSHAKAR
with bureau reports

MANY HAPPY RETURNS HOME

Home is where the heartbeat is. And that's why, at Goodyear, making tyres that can take you home safely is the heart of the matter. Every year, Goodyear International invests more than $ 300 million on R&D. So that the Goodyear tyres on your car can deliver better performance and increased mileage. And,



bring the smile of relief to your dear ones' faces when your car gets home.



GOODYEAR

TAKE ME HOME

And now a new conversation piece.



The sleek Maruti, air-conditioned and with exclusive accessories, is
en to bookings, beginning 16th August, 1990.
ainst payment in foreign exchange only.

Ten thousand of these exclusive international class cars will be
ivered between mid-October 1990 and April 1992.

So if you have access to foreign exchange through relatives or friends
oad, get in touch with them now.

And acquire the dollar version of the famed conversation piece.

Booking amount is US$ 3,000/- to be paid either by Bank Draft in
favour of Maruti Udyog Limited (payable at New York).

OR

By FCNR deposit in the name of customer issued by nominated
banks.

Option to pay full price which is approximately US$ 20,000/- at
present.

An All India booking draw will be held on the computer to generate
a priority list for all the bookings received by Maruti.

Bookings close 20th September, 1990.

For further details contact your nearest Maruti Dealer.
ing forms (priced at Rs. 10/- only) will be available from the 2nd
of August, 1990 with the dealers.

MARUTI 1.0 GLX

Quite a conversation piece.

HTA 6852

EDIT RATING

Needless panic

le the downgrading of India's credit rating abroad has evoked alarmed ment, the reality is far from the disaster it has been made out to be

ia is still good for investment, what- anybody might say," says R. Srisan, general manager, corporate king, ANZ Grindlays Bank. The any- here is Moody's, the international it rating agency, which put India on atch list as a prelude to downgrading country as a safe investment area. re are others who are prepared to sec- Srinivasan in their perceptions of a's ability to service its short and long borrowings. Among them are Rana oor, vice-president and head of cor- ate banking, Bank of America, the e Bank of India, the financial institus, Union finance secretary Bimal n and the finance ministry.

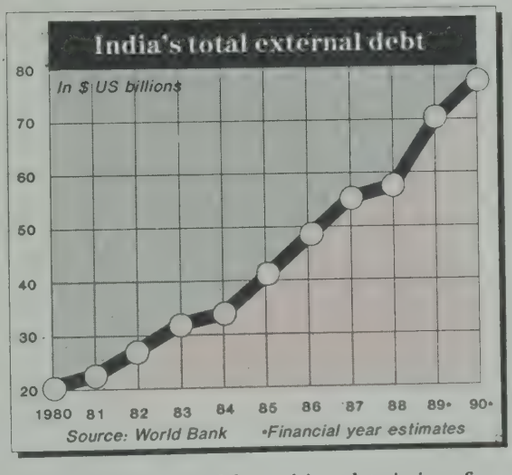
he apprehensions regarding the th of the Indian economy, however, e some ground. The total external t of the country now stands at $56.3 on, according to the government. ncies abroad, such as the Chase Man- an Bank, place it at $ 71 billion with a esponding debt service ratio of 38 per ; which is fourth behind that of Bra- Argentina and Mexico. Says a leading elopment banker, "When India's borings were $40 billion, its credit rating excellent. This is bound to change, n its borrowings go up to $70 billion, oing in view its credit absorbing caity."

ernal debt up

World Bank projects India's total exal debt in 1990 at $ 69.78 billion and 991 at $ 77.42 billion against only $ 94 in 1988. From a debt service ratio of er cent in 1984, it estimates the figure e 26.8 per cent in 1990. Worse, the e of concessional lending in this ntry's debt portfolio is declining. At same time, the finance minister pro- ns every now and then that India's ers are empty.

oody's informed the finance ministry ntly that it was contemplating down- ing India from its high A-2 rating. The on stated was India's continuing de- dence on foreign currency borrow- , which is not likely to decline. Export ings will not compensate as world trade is expected to be sluggish in the coming years. Other factors being mentioned include the growing tension on India's borders, inflation encouraging budget deficits, an inefficient public sector and the fact that the National Front government's industrial policy continues to be fraught with ambiguities.

Consequently, together with the downgradation of the country's credit rating the ratings of several Indian companies are in the process of being downgraded: ONGC from its A-2 rating, the State Bank from P-1 on short term borrowing and A-2 on long term borrowing, ICICI and the SCICI from P-1 on long borrowings (only the World Bank and the IMF are rated A-1).



The recent 'problems' in obtaining foreign exchange borrowings through loans and bonds by some public sector undertakings were exaggerated out of proportion and perspective. Two cases are ONGC's $150 million loan, and IFCI's $ 100 million bond issue.

The cancellation of ONGC's syndicated loan was made out to be a prime example of India's declining credit rating abroad. According to certain reports in the Indian and foreign media, ONGC had to call off the loan because the consortium of 14 Japanese banks gave the loan a higher risk rating than earlier — around 50 basis points (bp) above the LIBOR rate, against ONGC's option limit of 40 basis points. But Jalan isn't worried. "Operating in the international currency market is largely a matter of timing — borrow when the market is good, wait when it isn't," he says.

Says a finance ministry official, "There is a difference between ONGC declining a loan and a loan being refused to it. No company uncertain of a better alternative would have turned down the loan." And ONGC did find an alternative by floating bonds in the secondary market that was competitive by 10 bp. Four security houses — Nomura Securities, Nikko Securities, Daiwa and Namaichi — volunteered to underwrite it.

M.C. Nawalkha, member-finance, ONGC, says that the loan was called off because instead of making competitive offers, the Japanese banks formed a cartel and put forward similar terms in almost the same language. "Even though we could still borrow at the rate offered, we refused to be pressured by a cartel," he adds. According to him, the fact that SCICI agreed to pay 46 bp to lenders in a similar deal affected the attitude of Japanese banks in its case.

In any case, Japanese banks demanding higher returns is a worldwide phenomenon, and not restricted to either India or the Japanese money market. Internationally, rates are being kept high as an anti-inflationary measure. The 25 basis point, at which India used to borrow, is difficult to sustain as volumes of our borrowings are going up. "In 1980, Air India borrowed at 100 basis points above LIBOR, which declined to 60 basis points by 1984, to 38 by 1986 and 25 by 1988-89," says another finance ministry spokesman.

The hardening of terms in the Japanese money market is primarily a response to the new capital adequacy ratio norms. These are set down by the Bank of International Settlement and are to be enforced in 1993. Earlier, the credit to capital rates was 8:10. No longer can the Japanese dominate the market as they did in the 1980s by lending at cut-throat rates. Moreover their assets have considerably depleted, on account of the recent crash of the Tokyo stockmarket. Also reduced are cash inflows from the new issues market.

Revised taxation treaty

Japanese lenders have hardened their rates for India also because of the revised double taxation treaty between the Indian and Japanese governments of December 1989. After the revision the percentage of 'withholding tax' was reduced, from 25 per cent to 10 per cent, which

THE INSTITUTE OF CHARTERED FINANCIAL ANALYSTS OF INDIA

(In collaboration with The Institute of Chartered Financial Analysts, Virginia, USA)

ADMISSION NOTICE

THE CFA PROGRAMME

ICFA (USA) & ICFAI Collaboration

- Evaluation and critique of study programme and material as well as examination on an on-going basis.
- Involvement in study material development and related matters.
- ICFA (USA) countersigning the 'CFA' certificate awarded by ICFAI.
- Representation of the President of ICFA (USA) on the Board of Governors of ICFAI.

The American Institute

The Institute of Chartered Financial Analysts, set up in 1959 at Virginia, USA is the only institution of its kind in the world. It offers a three year training programme leading to the designation Chartered Financial Analyst (CFA) which is a highly valued professional qualification. Since its inception it has awarded the CFA designation to about 12,500 candidates. Interested in advancing the cause of professionalism in the field of financial analysis, it is collaborating with the Institute of Chartered Financial Analysts of India, in offering the CFA Programme in India. There is an in-built facility for Indian CFAs to acquire the CFA qualification from ICFA, USA.

The Indian Institute

The Institute of Chartered Financial Analysts of India has been established in 1984 as a non-profit educational society. ICFAI is a member of:

- Asian Securities Analysts Council, Japan.
- International Council for Distance Education, Norway.
- The International Coordinating Committee of Financial Analysts Associations, Paris.

The CFA Programme

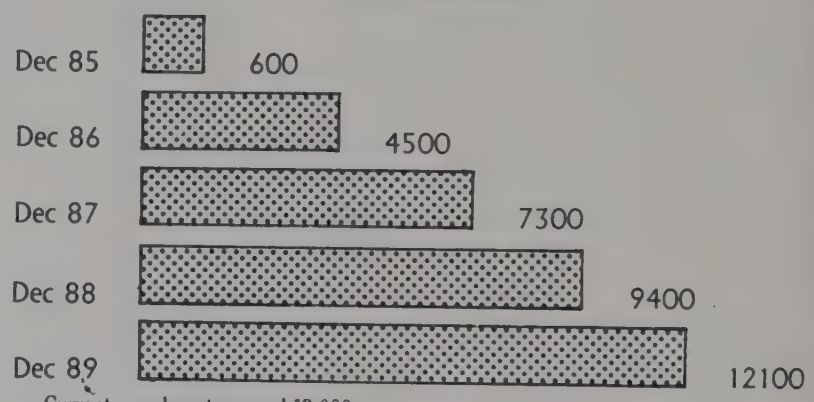
The CFA Programme is a three year training programme primarily focusing on financial analysis and its application in three broad areas: Corporate Financial Management, Investment Management, Management of Financial Institutions and Financial Services.

The programme is divided into three levels, six groups and twelve subjects:

Preliminary	
Financial Accounting	Quantitative Methods
Financial Management	Economics
Inter	
Economic Legislation	Security Evaluation
Management Accounting	Project Appraisal
Final	
Adv. Financial Management	Investment Management
Financial Services	Indian Financial System

Subject-wise waivers are available as indicated in the Prospectus.
Leading institutions like RBI, IDBI, UTI, ICICI and IFCI reimburse the CFA Programme fee to their staff.

CFA Enrolments



Current enrolments exceed 13,000

Eligibility:

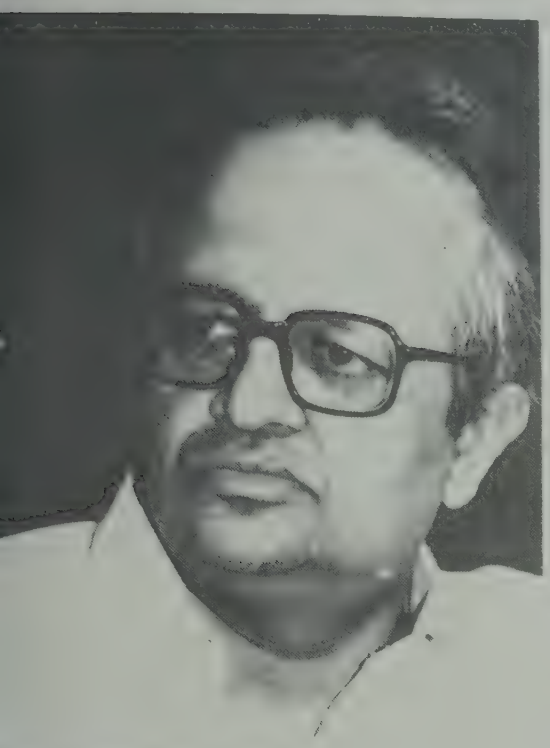
Graduation (any discipline). Final year students can also apply. The applicants are required to qualify in the Admission Test (Date: Oct. 14, 1990) to be conducted at 25 centres. Certain categories of applicants such as CAs/CWAs/ACSs/MBAs/CAIIBs/First Class Graduates/First Class Post-Graduates are exempted from the Admission Test.

Prospectus

Please write with complete address and a DD for Rs. 50 drawn in favour of 'ICFAI' to: The Administrative Officer (CFA),

The Institute of Chartered Financial Analysts of India,
Road No. 3, Banjara Hills, Hyderabad 500 034.
Phone: 229062, 229286, Grams: 'ICFAI' Telex: 0425-6065 CFA IN,
FAX: 0842-229107

Imageads-ICFAI/314-90



lan: "a matter of timing"

oded the income tax benefits the banks ed to derive earlier. Another funda- ental reason is the increasing volume of dian borrowings from the Japanese oney markets. This was because in the ghties the boom in Indo-Japanese cor- rate collaborations led to considerably creased trade.

According to Srinivasan, there is no roblem in raising money for India at a te close to 45 basis points. But finance inistry officials are smart negotiators, hose aim is to extract the best rates om the lenders. Srinivasan finds India's mparison with Latin America ridicu- us and defamatory. India's imports rm only 10 per cent of the official GNP, hich he believes actually reflects only lf the real investment funds available he rest is hidden as black money).

Commenting on the downgrading of dia's credit rating, Srinivasan says that rlier it was higher because India did not rrow as much as it could have. But now at it has fully extended its borrowing, ting has receded to its proper level. low we rate our Indian investment is re- cted in our recent loan to ICICI worth $ 0 million, in which Bank of Tokyo has nost a 50 per cent stake. This shows w that bank looks at the situation," s Srinivasan.

Credit rating is also dependent largely a country's expertise in handling its bt portfolio. The trend in the eighties s been to minimise short term debt lia- ity, by currency and interest rate aps. Borrowers move from depreciat- g currencies (interest on which is rising d therefore pushing up debt liability) to currencies which are appreciating (interest on which is declining and thereby reducing debt liability). Indian banking is sophisticated enough to handle such swaps which are recognised among bankers elsewhere and India has managed several such swaps profitably.

BankAm's top three

According to Rana Kapoor, though India's recent balance of payment position has not been a very happy one, the economy is strong enough to see this temporary hiccup through. The Bank of America has placed India among the top three strategic business countries, of the 40-odd countries it operates in. Furthermore, BankAm has maintained its risk rating and country limit for India for the last three years; no change in these is being contemplated despite the perceived worsening of the balance of payment situation. The reason for this may well be the decline in India's trade deficit for the last financial year. Last year India's exports, in dollars, grew by 18 per cent while imports rose by just over 3 per cent.

West Germany is another major financial market that India has been borrowing from recently. The Deutsche Mark has been hardening and interest rates on that currency have also been rising worldwide. The hardening terms, therefore do not, per se, mean that India has become a dangerous credit risk. India is being looked upon as a growth area by the Germans: during the last financial year they were the largest investors in Indian ventures. Since all German subsidiaries in India have been doing well, there is little reason for them to question the viability of their Indian investments and their bankers' lending to the Indian economy.

Domestically, there is no cause for concern yet. Multinationals, including banks, are queuing up to get into the country. The eighties have seen good growth rates and India absorbed the two oil shocks and recession early in the decade, without straining itself. "We are fairly well insulated from the international cyclical changes," says a finance ministry official.

Nevertheless, the first warning bells have been sounded. The Indian economy's ability to confront the adverse situation is being watched closely. The options may be limited but they underscore the value of firm governmental action to contain borrowings and enhance the returns on borrowed finances.

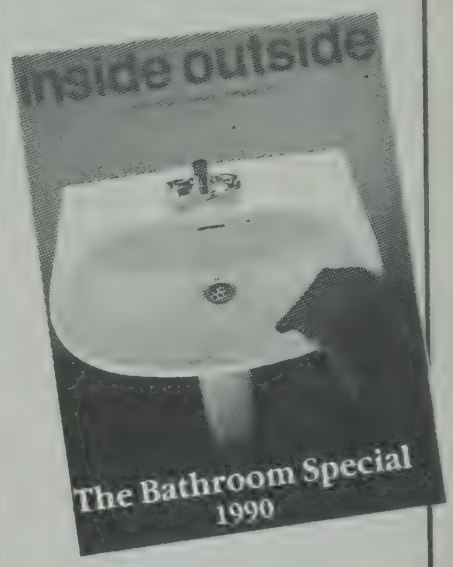
■ FEROZ AHMED and ARIF SHARIF

inside outside

The Bathroom Special 1990

The first ever comprehensive coverage of Indian bathrooms

Rs 30 on the newsstand



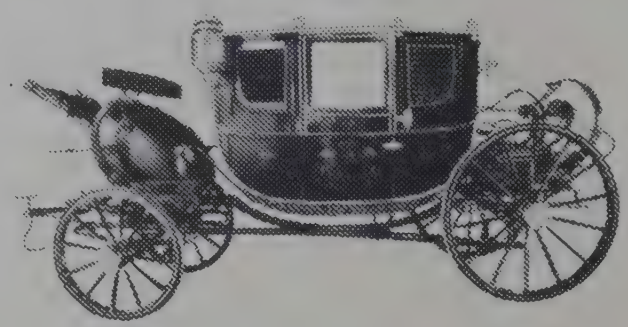
Featuring over 50 different bathrooms, covering all aspects of bathroom design and with a vast product information section, this issue is one that no professional or design conscious reader can afford to miss.

Buy your copy now and avail yourself of the special subscription discount offer inside.

inside outside, Wadia Bldg., 17/19 Dalal Street, Bombay 400 001 Tel: 274161.

Let's celebrate the company t

The hot dusty roads of Madras at the turn of the last century. Home to stately, elegant horse-drawn carriages. Coaches whose fame had spread far and wide, from Manchester to the Malacca Straits.



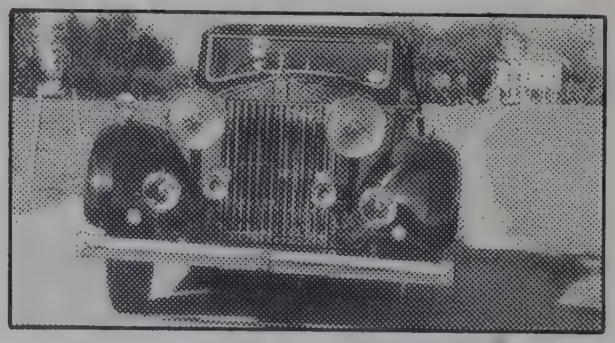
The same company that made these noble vehicles then startled and thrilled Madras by running a carriage that used a very different kind of horse power. The thrust provided by an engine.

That company was Simpsons. And it went on to popularise mechanical transport, introducing the concept of service stations with ready spares and able mechanics.

And soon across India and Asia, the motor car revolution had caught on ...

Earning the trust of Rolls-Royce

Simpsons had built a reputation of being among the finest carriage makers in the world. And the loving, painstaking craftsmanship that



had transported nobles and nawabs was transferred to the machines of the future. Craftsmanship that so impressed Rolls-Royce that Simpsons won the prestigious Rolls-Royce franchise in India.

Simpsons today

From horse-drawn carriages, to ass motor vehicles, to manufacturing diesel e sought after for vehicular, agricultural, industrial and marine applications. That, nutshell, is the saga of Simpsons. From a company of artisans to a prime mover of industry.

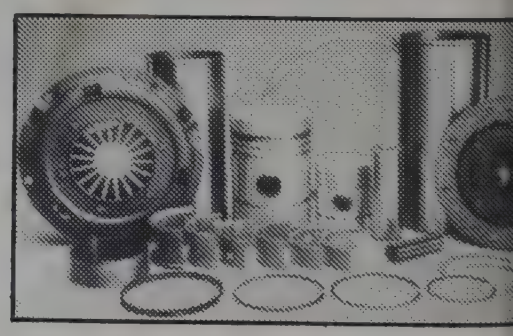
Simpsons: foundation of an indust powerhouse

A group of companies anchored in t industrial ethos ... autonomous yet interdependent, diversified yet within a c whole. Industrial synergy.

That was the vision of industrialist Anantharamakrishnan and Amalgamatio and Simpsons the bedrock in which it wa anchored. Leveraging the solidity and fir strength built over a century into a massi manufacturing base. Aided in this era of progress by collaborations with a roster renowned corporations from Europe, the and Australia – Perkins, Massey Ferguso T & N Group, United Engineering & Fo Van Moppes, Clevite and Repco. A roste recent times expanded to include Yuasa, and Nippon Oils & Fats of Japan, SAFT France and Bookers of the UK.

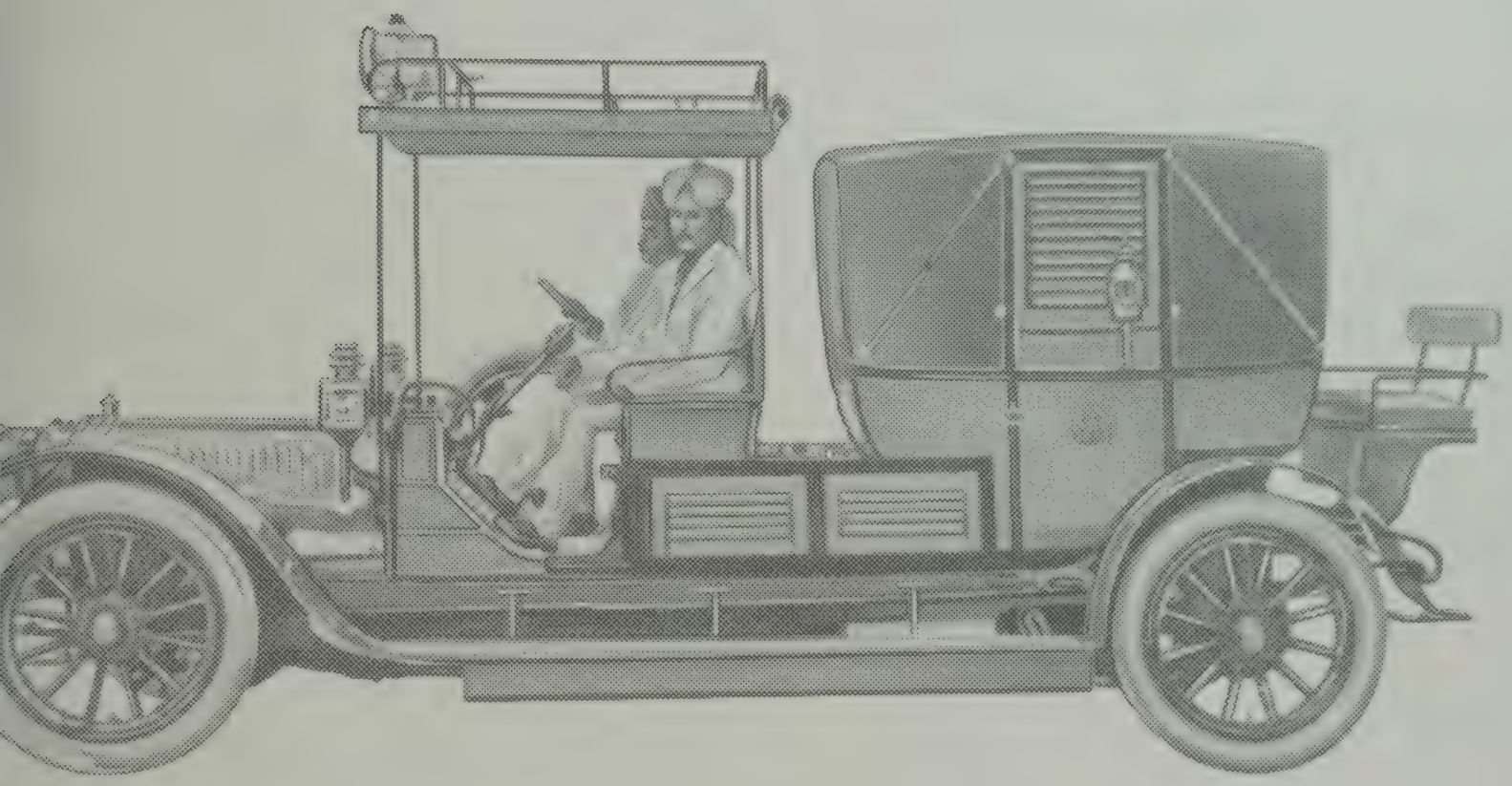
Amalgamations : from vision to re

A Rs.720-crore conglomerate. With companies spanning vastly diverse



Simpsons & Co. Ltd
Madras
AN AMALGAMATIONS GROUP MEMBER

roke the speed barrier for India.



ufacturing and service fields. India Pistons,
FE, Bimetal Bearings, Amco Batteries,
lison & Co., Speed-A-Way, Simpson &
eral Finance, T. Stanes & Co., Shardlow
a, George Oakes, Indiapistons-Repco,
eel & Rim Co., Stanes Amalgamated Estates
ne list goes on.

And a product portfolio ranging from diesel
ines, tractors, cutting tools to batteries,
rings, forgings and diamond tools. And
-manufacturing interests from tea estates to
go transport, from printing and publishing to
cultural inputs and distribution.

A vision come true. And yet growing. For
v can something static be forged on a
amic anvil?

Growth is the glory of free enterprise. But
e the very foundation of free enterprise ...
is a reward immeasurable in words.

AMALGAMATIONS CELEBRATES
SIMPSONS
150
YEARS
1840-1990

The spirit of enduring enterprise

Rediffusion/AMG/90/181 M

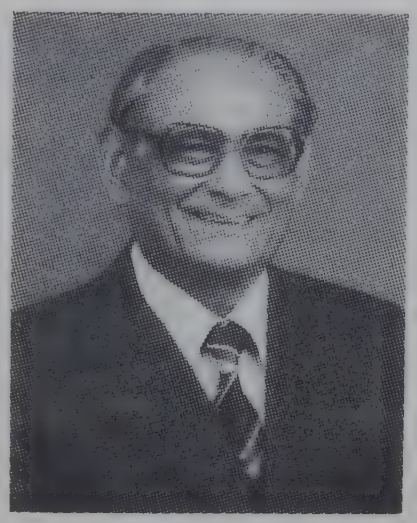
CHAIRMAN'S STATEMENT

KOTHARI INDUSTRIAL CORPORATION LTD

- **CONSOLIDATING PAST GAINS**
- **SCALING HIGHER PEAKS**
- **BREAKING NEW GROUNDS**
- **HERALDING THE DAWN OF A NEW VIBRANT ERA ...**



Excerpts from the Statement of the Chairman, Dr. D.C. Kothari at the 21st Annual General Meeting held on 1st Aug. 1990 at Madras.



My hearty welcome to members attending the Company's 21st Annual General Meeting.

On this occasion, our best wishes to the National Front Government under the dynamic leadership of Hon'ble Shri. V.P. Singh.

Dr. D.C. Kothari
Chairman

ECONOMIC TRENDS — Higher targets, greater growth

The performance of the economy during last year was satisfactory. An increase in the index of agricultural production, albeit marginal, offsets the deceleration in industrial growth. The 5% targeted growth in GDP during the Seventh Plan is likely to be achieved. The new Industrial Policy, I hope, will accelerate the growth rate. The Eighth Plan should do even better...

TEXTILES — Steady market, rising demand

A record export coupled with heavy purchase by the Cotton Corporation shored up its prices to the benefit of farmers. They harvested a bumper crop during 1989-90. Higher purchasing power in rural markets, has created a good demand — substantiated by a steady market. Despite a 25% increase in spindleage and a good movement of yarn and other fabricated materials. Whether the price line can be held up in 1990-91 with the anticipated increase in crop or not, is to be seen.

PLANTATION — Tea — Better times ahead

In the Tea industry, hectic activity marks both the domestic and export markets. Shortfall in production and export commitments have pushed up local prices. Larger Soviet purchase has curtailed our hard currency exports. Greater efforts should be made to increase our production to a level of 1100 million kilos to meet the demand. From export and domestic markets Governments, at the Centre and States, should extend beneficial measures — depreciation allowance on tea bushes, revised replanting allowance, reduction in agricultural income-tax, removal of entry tax and other levies etc.

We have, on our side, replanted certain areas under the NABARD scheme.

TEA BOARD AWARD — Our members would be happy at this.

Our Brooklands Estate bagged the Tea Board award for highest yield per hectare in Nilgiris District for 1988.

COFFEE — A case for broadbased marketing

All India coffee production down by 39%.. a glut in the international market due to the virtual collapse of the export system. Resulting in a 45% — 49% fall in prices. Affected the scale of returns considerably. However, the All India production of coffee in 1991 expected to be over 2.25 lakh tonnes.

There is a compelling need to review the Coffee Act. Especially, in the marketing of coffee which needs to be freed and made broadbased. As in the case of tea, another pertinent point to be noted and acted upon. Cost of production of coffee in India is the highest in the world. And naturally it adversely affects plantations. More so, in lean years.

FERTILISERS — Accelerating agricultural growth

Recent increase in agricultural production is due largely to increased use of key inputs — fertilisers and irrigation. The average growth in agricultural output was 5.4% during the period 1980-81 to 1988-89. Our irrigated area increased, on an average, by 3%, the increase in use of fertilisers measured in terms of NPK mixtures was 8.9%. A steady growth in the offtake of Super Phosphate and NPK Mixtures was witnessed during this period.

Keeping this trend in view, the Company is undertaking modernisation and installation of balancing equipment to enhance the capacity to 80,000 tonnes per annum of Super Phosphate and 40,000 tonnes of Sulphuric Acid.

DIVERSIFICATION

As resolved at the Extraordinary General Meeting of March 1990, initiatives in the areas of distilleries, mining, leather, leather exports etc. are being undertaken. A subsidiary, KOTHARI (Madras) INTERNATIONAL LIMITED, has already started trading and export of leather.

CONCLUSION

My thanks to the Financial Institutions, Banks, shareholders, depositors, staff and workers for their support and continued co-operation. I now look forward to share the fruits of our efforts with members in the years to come.

PROSPECTS FOR 1990-91

Mr. Pradip D Kothari, Vice-Chairman and Managing Director of the Company in his speech, informed the shareholders about the unaudited working results from 1-4-90 to 30-6-90 and the prospects for the ensuing year, which are given in the table below:-

FINANCIAL HIGHLIGHTS

	April '90 to June '90 Unaudited actuals	April '89 to June '89 Comparative
	Rs. in lacs	
Turnover	1954	1710
Profit after interest and depreciation before tax	260	175
Modernisation/Improvements being implemented		
Textiles	885	
Fertilisers	190	
Plantations		
Replanting infilling in Tea and Coffee	311	
Total cost	1,386	

Note: This does not purport to be a report of the proceedings of the 21st Annual General Meeting of the Company held on 1st August 1990.

FAME/KIC/1701

ccount Planning, or why the onsumer comes first

sider the problem: Hundreds of adver-ments are beamed out to viewers on vision each day. Thousands of mes-es shout out from hoardings, news-ers, magazines and video. The mmunication, by dint of sheer over-wding, is diffused, confused and more n than not, sinks without a trace. And res of advertising rupees along with brand could disappear with it.

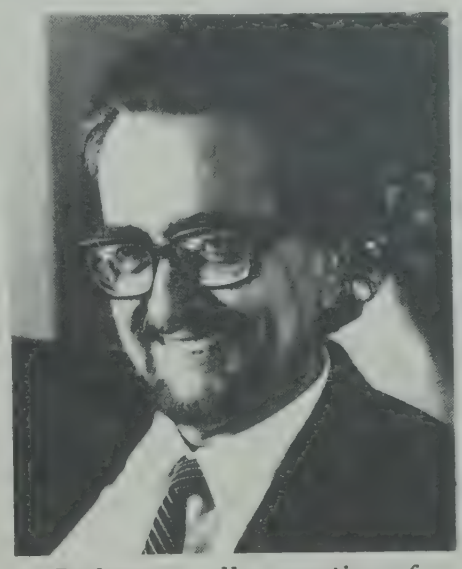
s it surprising, therefore, that adver-ng and its creators are increasingly d responsible for the success or failure brand? From being merely the execu-ners of publicity at one time, admen are v almost equal partners in the market-of a product and the building of a nd. As a result understanding the mar-ing function is being increasingly essed on within agencies.

et's take the typical creation of an ad-tising campaign. The client company efs its ad agency — usually the client vice team which in turn briefs the cre-ve team. The brief is pondered over and atchy headline and an attractive visual devised and presented to the client. equently, the best campaign is 'bought' the client.

gent vs important

be fair, not all ads are created like this. e fact is that the client service team is o busy dealing with day to day problems crises to be able to provide any strategy out to the creative team. Too often, the urgent supplants the important and a brand that needs analysis and interpretation of consumer purchase behaviour is deprived of these because the account manager is busy attending to the crisis at hand. The account planning function has evolved precisely to protect the 'important' from the 'urgent'.

Account planning was initiated in the late sixties by Stephen King of J. Walter Thomson (JWT), who is regarded as the 'father of account planning' in the United Kingdom. Following the various tie-ups with Indian agencies, it filtered down to India. It was somewhat of a cliche then that 'account planning is to advertising what marketing is to sales'. But to quote a definition put forth in an account planning seminar by the ESOMAR in Switzerland: Account planning is the explicit introduction of the marketing principle, into the agencies' own way of working. This is because it gives structural expression to the fact that advertisements have a consumer (the audience of advertising); a customer (the client) and a producer (the agency itself). And that the priority lies firmly with the consumer:" In other words, agencies were obliged to represent more than the manufacturer's point of view. They had a responsibility to the consumer as well.



Padamsee: all a question of 'brand ownership'

In essence, account planning is a specific process which starts with the analysis of every 'signal' sent out by the brand — its name, packaging, product features, price. The existing impression of the brand in the customer's mind and heart is researched. The desired impression is determined and the gap between the two is filled up by advertising.

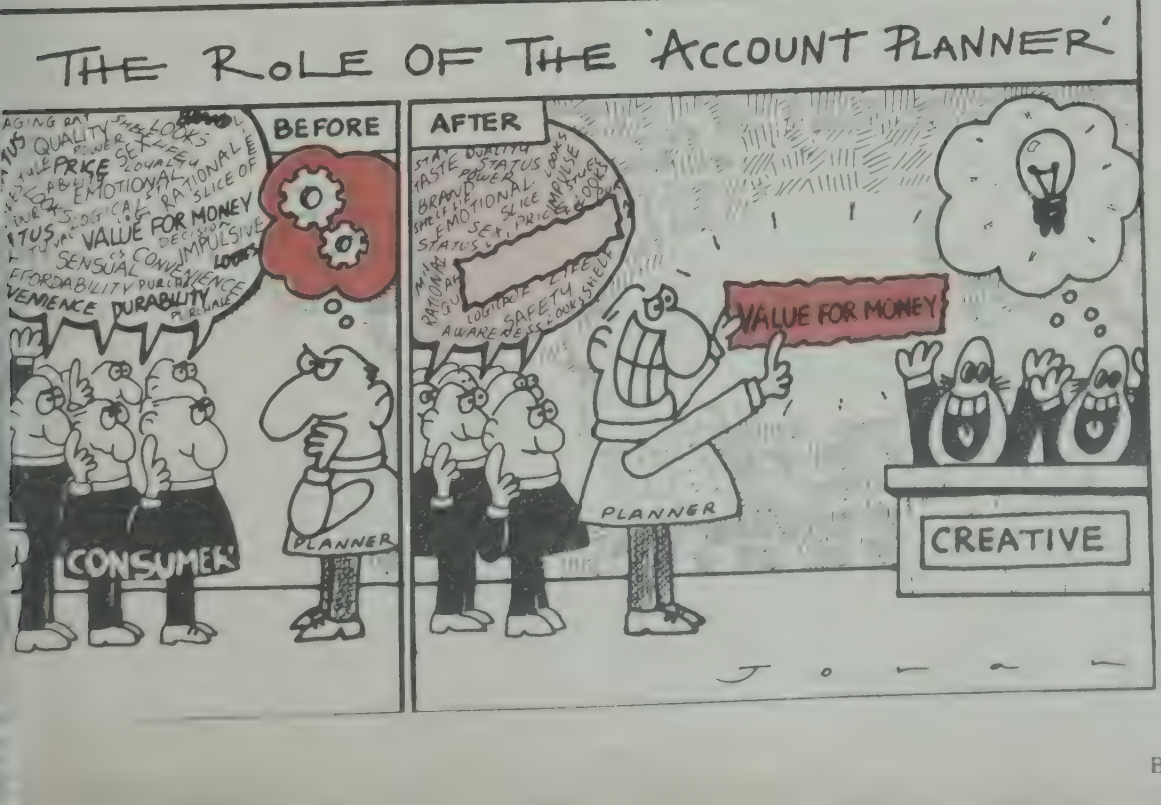
Says Ram Sehgal, chief executive Contract Advertising: "Account Planning is an attitude. A method of thinking that converts marketing problems into advertising solutions."

In practice, ads are often created with nary a thought as to whom they are meant for, or what they are actually communicating. Sehgal cites the case of Atlas cycles. Sales were declining when Contract was called in. "The solution lay in changing the very perception of cycles" The black metal product was given a face lift. A new concept, "Goldline", was created and advertising communicated it. As a result sales went up from 41,000 to 1,00,000 by the fourth month.

Account planning models

Agencies have developed different account planning models which are based on consumer behaviour. A crucial aspect of an ad is how the consumer responds to it. The J Walter Thomson-HTA-Contract model — The Thomson Way — emphasizes the stimulus response theory. The model holds that the agency must first decide what response it wants to achieve and then develop a stimulus that delivers that response.

An ad will never be effective if it merely states a proposition. It has to provide a stimulus which appeals to the mind (rational: "Surf ki kharidari mein aur bhi samajhdari hai"); to the heart (emotional: "Neighbour's envy, owners pride"); or to the senses (sensual: "It's Vadilal!!!!"). This analytical system, called the planning cycle, constantly plots the position of a brand, its past, present and future by answering the questions: Where are we today? ('We' represents the brand). Why are



we there? Where would we like to be? How do we get there? And are we getting there?

Another model, developed by Foote Cone and Belding is simply known as The Grid. The basis of the Grid is that the consumer, depending on the product, is emotional or rational and, therefore, could be deeply involved in the purchase or treating it as a casual buy. By plotting the position of the product on the grid, a positioning and personality can be worked out for the brand.



Sehgal: a creative leap is called for

Such models require a great deal of information gathering, interpretation and analysis. Alyque Padamsee, chief executive Lintas Advertising, is unequivocal about the need for research in the planning process. "Account planning may be the buzzword today, but even thirty years ago, when I first joined Lintas, we practiced account planning in an informal sense." He cites the case of Dalda Vanaspati, as one instance of strategy planning, that demonstrates how a shift from a rational to an emotional approach in the advertising strategy made all the difference to the brand.

Market research

"When Dalda was launched," says Padamsee, "there was for a long time a tremendous amount of resistance to the product. Housewives regarded it with suspicion." The advertising sought to rationally convince the consumer of Dalda's nutritional value through a series of ads titled "Maya and the question of Fats". The advertising didn't seem to work and the Lintas team undertook one of the largest research exercises at that time to find out why. On meeting housewives they discovered that many actually used Dalda but were ashamed to admit it. "They looked upon it as a fall in status because they couldn't afford pure ghee any more. So they transferred that resentment on to Dalda." The creative team decided to go emotional rather than rational and the new ad suggested, Dalda was the ultimate test of good mothering. Now of course, Dalda is almost generic to vanaspati.

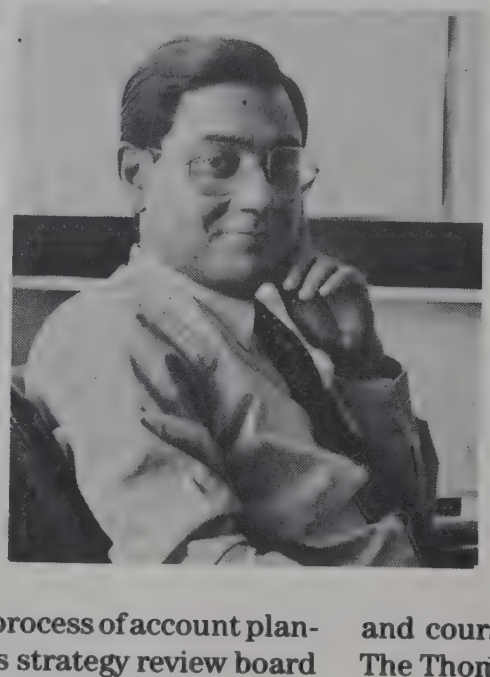
Says Padamsee: "Today there is greater awareness and a formalisation of this process of account planning. Lintas has its strategy review board (SRB) which comprises a body of experts in marketing, research, creative, media and other advertising disciplines. No advertising campaign is created without the SRB chucking away at least two well thought out and feasible strategies.



Gupta: the importance of brainstorming

The question before most agencies that want to adopt account planning, is how to go about it. Should it emerge as a separate function with the responsibility invested in one person or should it be a department? Most agencies find a via media. Though Lintas has its SRB, Padamsee says the final decision rests with the deputy general manager, the number two man in an operating unit.

JWT suggests an option that takes care of the 'urgent vs important' issue. "Take a small number of people and protect them from the pressures of short term problems and give them the duty to concentrate on strategic, longer term issues." Anil Bhatia, vice-president, Hindustan Thompson Associates, who is on the verge of setting up a full fledged account planning department in Bombay, feels that this can be a special resource and one that has no operati responsibilities.



Mitra: brandmaking is the thing

Integrating departments

However, a separate department can p a problem. Can account planning funct in isolation from other advertising p cesses? Ashish Mitra, chief execut Contract Advertising, doesn't think "Hiving off functions can only give ris mediocrity. Brand making the essence of planning, planning itself is the thread which advertising hangs. Ev process must pass through And every individual involv in creating an advertisem must be a planner."

Yet another approach ma agencies are trying out is g ting the entire agency to th account planning. Contract A vertising, a JWT affilia doesn't have a department, ensures that everyone in t agency is geared to the proce through seminars, worksho and courses at all levels, that propoga The Thomson Way.

Trikaya Grey, an agency that has ti and again won acclaim for its striking 'creative' campaigns has a system call the Plansboard. Says chief executive Ra Gupta: "The Plansboard includes the c ative and media teams. The client's brief challenged, discussed and a creative bri is evolved jointly through a process brainstorming. The importance of brai storming is that every single opinion heard and considered."

Account planning and creativity are i extricably linked. Making that shift fro client brief to creative brief, is the job of a account planner. Sehgal of Contract cal it the 'creative leap' the account plann must take, in interpreting the client brief.

It all boils down to the question 'brand ownership' as Padamsee puts i Achieving and adhering to a brand pe sonality; positioning it in the consumer mind; charting out the future of the brand and ensuring that all advertising follows certain direction is what account plan ning is all about. The brands that live lon and outlast agencies and individuals ar those that have been planned — thos that make a distinct appeal and those tha communicate a clear message.

■ SONIA and DUSHYANT MEHT

SIEMENS



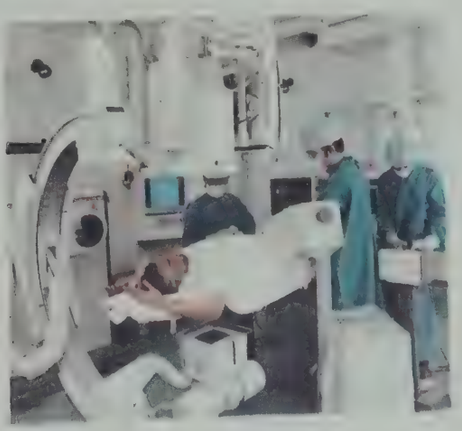
Tomorrow's Highlights.

From Siemens continuously emerge ideas and discoveries that light the path to the future. Innovative ideas that are focussed on the specific needs of the country, today and tomorrow. High-tech made home-tech!

At Siemens, the driving forces of technology are products and systems that will improve productivity, reliability and efficiency. Not only in exciting new areas but in existing lines that are the very essence of 'Siemens'.

Siemens sets the standard in a wide range of products, systems and projects. These include control and automation systems, railway signalling equipment, medical electronics, switchgear, switchboards, drives and motors, turnkey projects or new dimensions in telecommunications.

Ideas are fragile things. It takes the full support and commitment of a worldwide organisation to make sure they stay lit.



Siemens 'technovations' are focussed on the widespread needs of health care in India

Siemens Ltd.,
P.O. Box 6597,
Bombay 400 018.

Siemens.
Where international technology meets human needs.



● MODULAR PACKAGED AIRCONDITIONERS ● OPEN TYPE COMPRESSORS ● SEMI-HERMETIC COMPRESSORS ● WATER CHILLERS

BATLIBOI **Batliboi & Company Limited,** Apeejay House, Dr V.B Gandhi Marg, Fort, Bombay 400 001

OFFICES AHMEDABAD ● BANGALORE ● BARODA ● BELGAUM ● BHUBANESHWAR ● CALCUTTA ● COIMBATORE ● DELHI ● DURG ● ERNAKULAM ● GUWAHATI ● INDORE ● JAIPUR ● JAMSHEDPUR ● LUCKNOW ● LUDHIANA ● MADRAS ● MADURAI ● NAGPUR ● NEW DELHI ● PATNA ● PUNE ● SECUNDERABAD ● VIJAYAWADA ● VISAKHAPATNAM ● MANUFACTURING DIVISION: UDHNA (SURAT)



For us at Batliboi, our engineer is like an ambassador.

An ambassador who is an embodiment of our corporate philosophy.

A philosophy where the umbilical cord that links us with our clients is service, and not technology alone.

Timely, reliable service. Service, that goes beyond after sales.

Service, that begins by studying your needs and recommending the best configuration to suit your requirements.

Service which is carried through by an integrated package that provides the expertise, equipment and systems for airconditioning, refrigeration, and humidification.

Small wonder then, that Batliboi has over five hundred satisfied customers including Air India, Godrej and Raymonds.

So, if you are thinking of airconditioning, think Batliboi. Nobody else places your needs before their wants.

• *SHELL AND TUBE CONDENSERS* • *AIR HANDLING UNITS* • *SEMI-CENTRAL UNITS* • *CENTRAL AIR WASHERS*

BATLIBOI AIRCONDITIONING & REFRIGERATION DIVISION

BECAUSE NOBODY ELSE PLACES YOUR NEEDS BEFORE THEIR WANTS.



That's professional electronics at work.

At GCEL, we have recognised that it's the last 5% of any project that takes up 50% of the efforts.

No wonder, our equipment and projects are setting high standards in customer satisfaction. Because it's this last 5% that is of vital importance.

Such efforts help provide 100% satisfaction to the customer. For instance, we redesigned the slope of the central console in the Electronic Field Production Van to provide that little extra comfort to the operator.

Similarly, local power fluctuations were adversely affecting the performance of our Instrument Landing Systems at Airports. We drastically modified the circuits to ensure no drop in accuracy, despite local voltage fluctuations.

So, whether it's selecting specific grades of a screw, developing micro-miniature circuitry, or delivering the 265th Low Power Transmitter to Doordarshan, we at GCEL take utmost care to ensure reliability and customer satisfaction.

GCEL. Bringing far horizons closer.

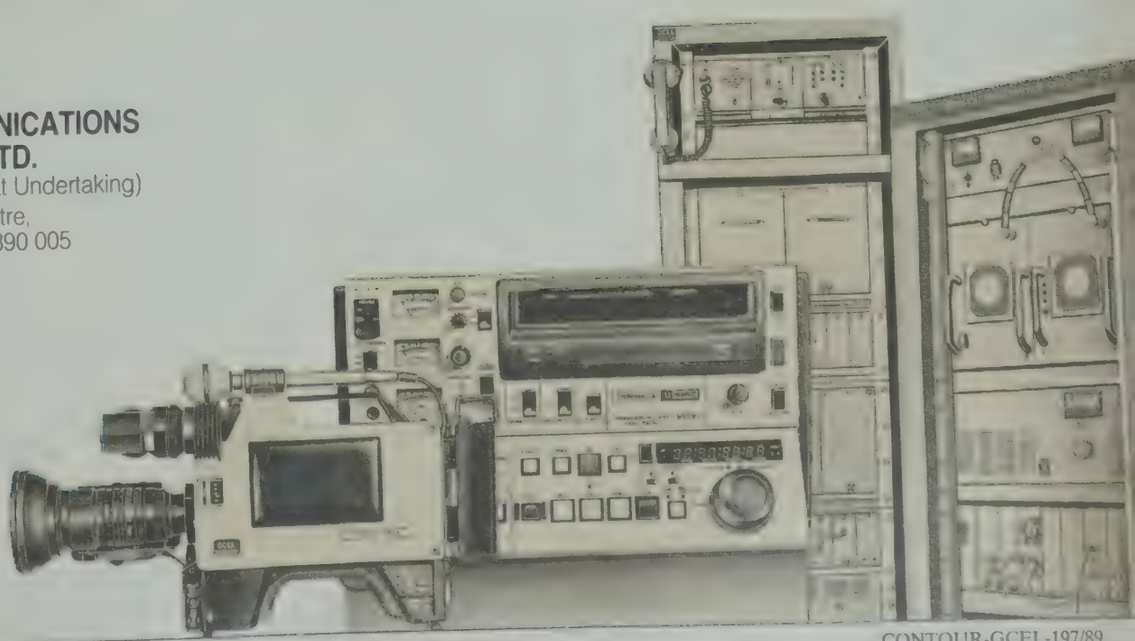
In just 14 years, GCEL has pioneered an entire range of electroni products. From Navigational Aids to Telecommunications. From Defence equipment to Video & Broadcasting equipment. Products that help bind th nation together. By meeting national needs and priorities. And by helping improve the quality of life of the peopl of India.

GCEL.Making it happen.



GCEL

GUJARAT COMMUNICATIONS & ELECTRONICS LTD.
(A Government of Gujarat Undertaking)
Anurag Commercial Centre,
Race Course, BARODA 390 005



CONTOUR-GCEL-197/89

MAIL ORDER SALES

The postman cometh

As more products jostle for limited shelf space, and retailing costs shoot up, marketers are ever on the lookout for new ways to reach consumers. Their newest find: armchair shopping or mail order selling by which buyers can place orders for goods described in catalogues, and have them delivered through the postman.

Manufacturers have sold individual products such as Bullworker through mail order for almost two decades, but it is only now that the Indian marketer is waking up to the potential of what has been an immensely popular concept in the West for years. Mailing lists such as those of Diners Club have been used to hawk a host of items from the exclusive, i.e. jewellery, to the mundane by post. More recently, in December 1989, Bombay-based Leena Godiwala started The 1st Mail Order Company, focussing on corporate items from personalised stationery to computer software. The company's 12-page booklet went out to 8,000 people — credit card holders and the more affluent in B-grade cities where many products are not easily available. So heartening was the response that with the second issue, just released, the number of pages was increased to 28, and copies to 50,000.

Glossy offerings

Mothercare (India) Ltd, a children's garments manufacturer, introduced a mail order catalogue three months ago, while last fortnight the Burlington group launched a glossy 164-page catalogue featuring garments, furnishings and gadgets for homes and gardens. With more than 60 years of retail experience, and strong foreign links, Burlingtons thought the time was right to diversify into home shopping. "We are surging through an industrial revolution that is creating a larger and more affluent middle class. This is happening in the metros and the smaller towns," says Andre Kapur, chairman of the group.



Godiwala: focussing on the corporate world

Burlingtons asked Kirloskar Consultants Ltd of Pune to conduct a survey covering 1,450 respondents in 12 centres who had a monthly family income of more than Rs.5,000. Positive response came from about 1,000 — 70 per cent.

But there are reservations about mail order schemes, too. As the Kirloskar report, for instance, points out, mail schemes, particularly in the north, have proved unreliable. Anticipating distruption, Burlingtons has appointed Societe Generale de Surveillance, a Geneva-based quality control service to precheck all despatches to their warehouses. It also guarantees that prices will not increase after the catalogue is printed, and that goods will be available at rates that compete with shops. Like the 1st Mail Order Company, it has agents whom customers may contact for personalised attention.

Consumers are also likely to fear postal delays and breakages in transit. Burlingtons conducted test mailings with more than 100 packages and discovered that the average transit time was 4.5 days with not a single piece lost.

Paying proposition

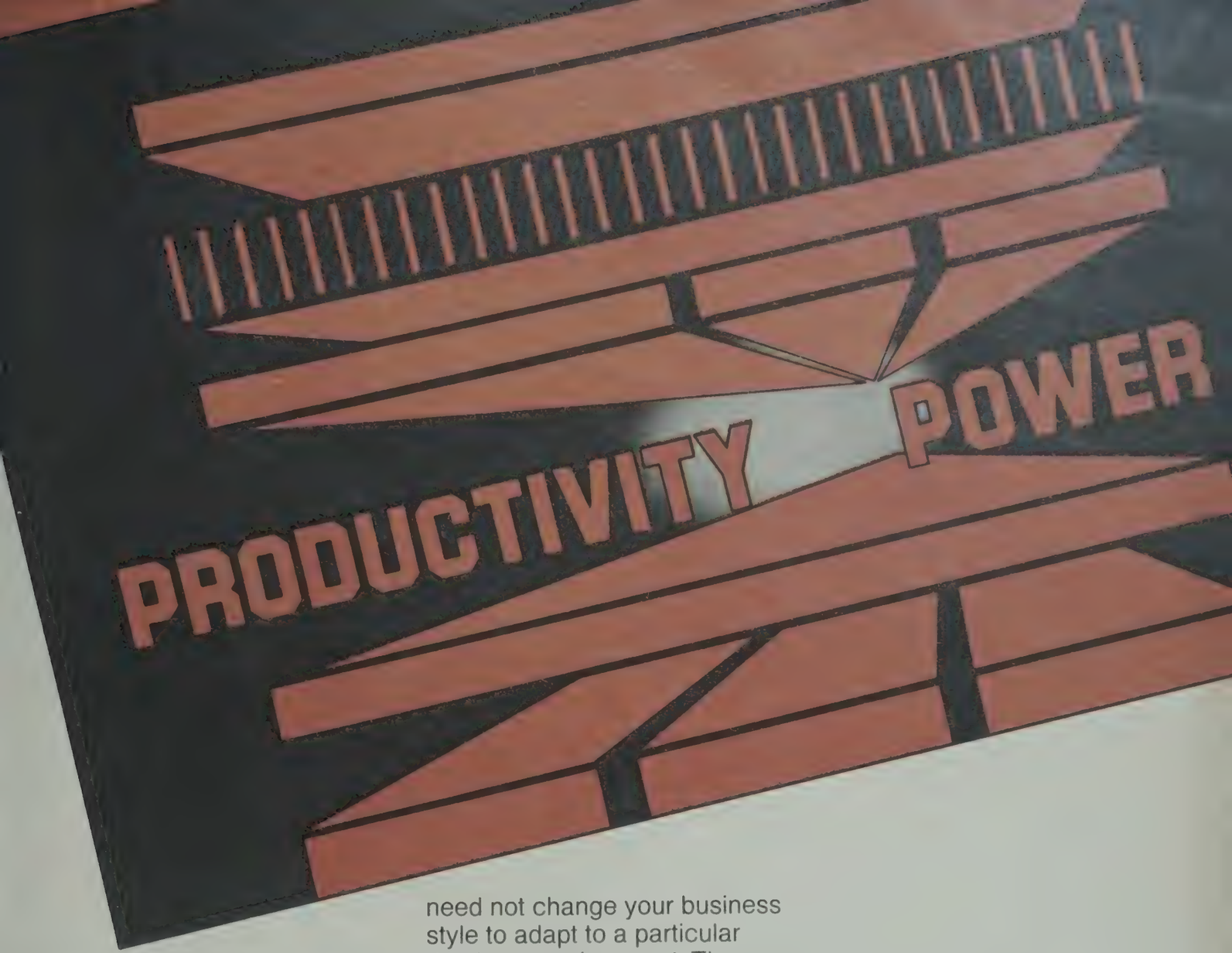
Certainly, the mail order business is not a losing proposition. A.P. Natarajan, general manager, Bullworker, thinks it worthwhile, despite having a showroom, to pump an advertising budget of Rs.3 lakh per month into his mail order business which gives him 50 per cent of his sales. Godiwala started with an investment of Rs.1.5 lakh, and broke even within three months. Kapur expects a turnover of Rs.10 crore in the first year.

So, why has mail order marketing taken so long to make an impact in India? Ravi Gupta, managing director, Trikaya Grey Advertising, explains that traditionally distribution costs in this country have been much lower than abroad — a situation that is certainly changing. "Also," he observes, "unless margins are high, selling through mail order is expensive because of advertising costs."

Initial costs are high, but as the right buyers are identified catalogues will be sent only to selected people. "Once Burlingtons finds the right addresses," Gupta predicts, "they'll make a lot of money."

"We don't expect an overnight success," Kapur says cautiously. That, ultimately, will depend on how many consumers are willing to buy the convenience of home shopping.

■ MENKA SHIVDASANI



FOURTH GENERATION LANGUAGES (4GLs)

The U6000 series productivity platform now gives you one of the world's most popular 4GLs — MAPPER. A testimony certified by over 7,00,000 users worldwide. With MAPPER, you can cut down application development time to one-fourth of what you need on conventional systems.

In addition, FOCUS relational DBMS and 4GL is also available on this platform.

DATABASES

The U6000 series productivity platform is truly flexible. Now you need not change your business style to adapt to a particular database environment. The open architecture ensures a wide range of available options — ORACLE, INGRES, INFORMIX, UNIFY.

Simply opt for what suits your needs the most.

AND MORE...

You can even get many more specific-application solutions for your business needs and Artificial Intelligence (AI) tools to make your applications smarter.

Talk to us, and find out more about the U6000 series productivity power.

After all, your needs are MORE.



TATA UNISYS LTD.

U6000 SERIES - MORE FOR YOUR NEED

Registered trademarks and their respective companies: MAPPER : Unisys Corporation; ORACLE: Oracle Corporation FOCUS : Information Builders Inc.; INGRES : Relational Technology Inc.; INFORMIX : Informix Software Inc.; UNIFY : Unify Corporation

For futher information, contact :
Bombay : Sahas, Veer Savarkar Marg, Prabhadevi, Bombay-400025 Tel : 4308243, 4308161 **Bangalore :** Mahalaxmi Chambers, 5th Floor, M G. Road Bangalore-560001 Tel : 579781-84 **Calcutta :** Grosvenor House, 2nd Floor, 21, Camac Street, Calcutta-700016 Tel : 441104 **Delhi :** Creative 10 Masjid Moth Commercial Complex, New Delhi-110048 Tel : 6444457 **Madras :** Kakani Towers, 15, Khadar Nawaz Khan Road, Madras-600006 Tel : 474502, 479808 **Goa :** 17-B, Tivim Industrial Estate, Mapusa, Goa-403426 Tel : 2955

QUALITY, RELIABILITY, CLASS



The twelve-axled two-sectional main line electric locomotive VL-85 is widely used to drive cargo trains on railroads powered by 50 Hz 25 kV single-phase AC. The VL-85 is equipped with a multi-unit system (two locomotives and one locomotive with a section); it can be operated from any sectional cab by one team of engineers; and it has an automatic traction and regeneration control system.

Technical Specifications

Undercarriage formula — 2 (Bo-Bo-Bo)
Brakes — compressed-air and electrical (regeneration)

Traction electric motor (shaft thrust, KW) :
— hourly rating — 10,000
— continuous rating — 9,350

(thrust, kN, (t/p) :
— hourly rating — 705 (72)
— continuous rating — 647 (66.0)

Design speed, km/h — 110

Exporter : **V/O SOVELECTRO**

ELTEMEK®

Korp. 1, 1/2 Sadovaya — Spasskaya Ul.,
107078, Moscow, USSR
Telephone : 208-2837
Telex : 411003 SOEL SU

RUTI UDYOG

he politics of unrest

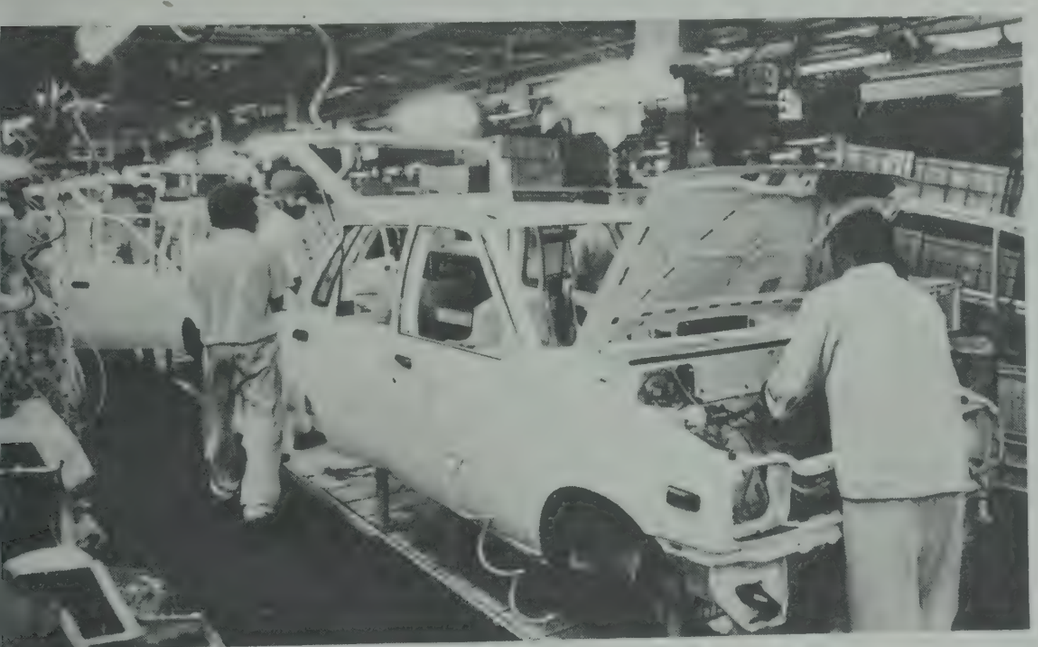
ne V.P. Singh-Devi Lal quarrel spilling r into other areas? Quite likely. On the ning of 2 August, a harassed R.C. rgava, chairman and managing direc- of Maruti Udyog Ltd, telephoned in- try minister Ajit Singh and asked him e prepared for a lockout at the com- y's plant at Gurgaon, a town close to hi but inside the Haryana state border. kers who claimed allegiance to an un- ognised union — Maruti Udyog zdoor Union (MUMU), affiliated to the yana Lok Dal Mazdoor Sangh LMS), which is controlled by the former uty PM — were creating problems for management.

Though developments did not go out of trol, the tension at MUL's Gurgaon fac- y was palpable that day. Over the last nth, labour unrest culminated in acts iolence, with four managerial level em- yees beaten up and a score others pped and threatened with dire action if y entered the factory gates.

The MUMU is actively backed by the en Brigade, a notorious band of toughs med by former Haryana chief minister Prakash Chauthala. Members of the gade were more conspicuous than the al police in the factory's neighbour- od and immediately outside it. argava says, "It is common practice for ruling political party to develop its de union wing quickly while it is in ver. But what troubled us was the fact that the state administration and police were entirely supporting the new union."

The origin of the MUL-labour imbroglio was the registration of MUMU by workers as the company's second trade union last December. They demanded quick recognition from the management and wanted to sideline the existing Maruti Udyog Employees Union (MUEU). More significantly, labour problems started soon after the company denied Chauthala two Maruti dealerships he had sought.

Impatience and recklessness seems to have governed the new union's actions for another reason. The recognised employees' union has a proven membership of 2,110 (a membership fee of Rs.2 was deducted from these employees for July) as against the support of 147 workers for the HLMS-affiliated union. Says Suraj Kumar, vice-president of MUEU, "They got desperate when they found that their presence was not being felt."



UL assembly line: calm after the storm

On 13 June, the hitherto quiet persuasion of the MUMU degenerated into threats of physical assault. When violence did occur, the MUL management suspended 12 workers, four of them office-bearers of MUMU. These workers then pitched a tent outside the gate and began a relay fast.

Throughout the unrest, the local police were no better than spectators. Even though a Gurgaon sub-judge had ordered that picketing would not be permitted within 200 metres of the factory's boundary, this was violated with impunity. The local police station even refused to file FIRs from the assault victims.

Bhargava's 2 August SOS finally provoked a response from New Delhi. The Central Industrial Security Force (CISF) strength was quadrupled to 300 men, and senior officers were provided personal guards. The HLMS countered this with a fast-unto-death by Randhir Singh, one of its members. But that petered out last week.

Uneasy peace

The workers, however, aren't quite as sure. When the violence peaked on 31 July, the MUEU had threatened a strike if peace was not restored. While the violence has stopped, the peace is forced by the CISF, and uneasy. "Threats, though fewer, continue," says Suraj Kumar. "We have told them (the MUMU) to join us and contest elections. I hope they agree," he adds.

Bhargava too would welcome a fair settlement. "I prefer a single-union company with no affiliations," he says. Events had been moving in his favour. The MUEU, which originally began as an INTUC-affiliated body, de-linked itself in 1987 to become an independent internal trade union. Now that the immediate threat of violent unrest has receded, the management feels that the troubles were a "brief interruption in the company's labour relations". And with recent reports suggesting that some of the fence-sitters have decided to back the recognised union, this comment does appear to have substance.

That the disturbance was largely external is clear from the production figures for July: MUL manufactured 10,907 vehicles — a daily average of 436.6 — which is a record for the year. The management says that the company will easily achieve its 1990-91 target of 121,000 vehicles.

Furthermore, MUL, which is now in its sixth year, paid a bonus for the first time. Till last year the workers had been drawing between Rs.2,300 and Rs.2,900 as ex-gratia in lieu of bonus. Last week, MUL acceded to the union's demand for 20 per cent bonus, which will be paid with the August salary. By and large, most employees appear happy, an attitude which the company hopes will last; to meet its challenging production and export targets, it cannot afford to be embroiled in any further politically motivated labour disputes.

■ R.S. VENKATESH

Your money remains with you

- **Unlimited buy-back after one year.**
- **Loan upto 75% from all branches of PNB.**
- **Easy & free transferability from day one.**

And grows with us

- **Assured minimum regular return of 12.5% p.a.**
- **Good prospects of higher return and capital appreciation.**

Other attractions

- Safe and sound investment
- Exemptions under Section 80L and Wealth Tax; No tax deduction at source

12.5% + Plus a lot more

PNB MUTUAL REGULAR INCOME PLUS SCHEME 1990

PNB MUTUAL FUND

Trustee : PNB Capital Services Ltd.
Jeevan Bharati, Tower-II, Level-3, Connaught Circus,
New Delhi-110 001.

Application Forms available at all branches of Punjab National Bank.

Helping Investors Manage Money Better

eeking a better formula

ate D.R. Gadgil, renowned economist card carrying communist, evolved a ula for the devolution of Five-Year- funds from the central government e states in 1968, in his then capacity eputy chairman of the Planning Com- ion. The formula was meant to correct arities that then existed between dif- nt states in the matter of develop- t. But 22 years later things haven't nged much. Inequity in development ists. Some states have gotten richer e others remain poor.

oes this mean that the Gadgil formula not worked? Maybe. And after years of llation the government has finally de- d to review the formula.

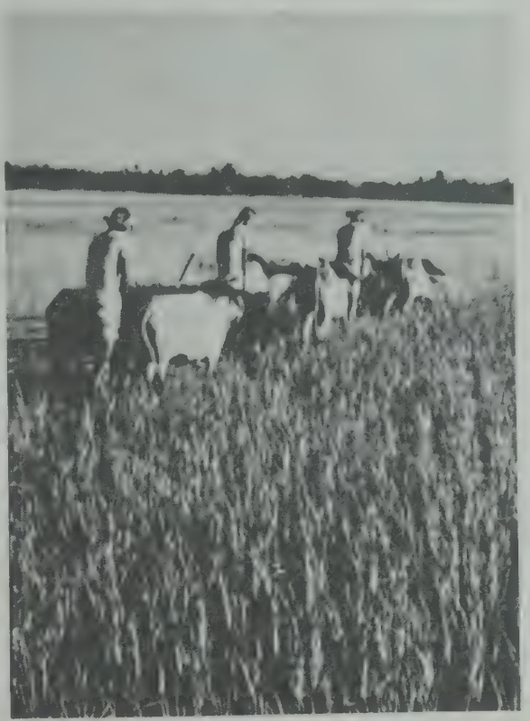
nplex calculation

sently, under a complex set of calcula- s used in preparing the Gadgil for- a, only 20 per cent weightage is given he criteria of backwardness when de- ing funds to the states. "This appears tle weak," says Sudipte Mundle of the ional Institute of Public Finance and cy. Population is given a 60 per cent ghtage, tax effort (the ratio of the es' per capita tax revenue to per cap- ncome) 10 per cent, and the remain- 10 per cent is reserved for special blem states.

ny suggestion, however, in the past, of nges to the Gadgil formula has evoked ferous protests from the richer states. ir contention is that "by reducing dis- sement to richer states you hurt the entive to development".

or most of the last two decades these es have had their way, a reason why a e number of experts are sceptical ut whether even the new-look Plan- g Commission will be able to achieve thing substantial. Yashwant Singh, the ata Party's Rajya Sabha MP believes no unt of debate on revising the Gadgil nula weightages are going to work, aside the Gadgil formula entirely or te another special fund for the under- loped states."

ven though redressal of regional dis- ty has been a major plan priority, the sures taken have clearly been insuffi- t. Says Sinha, of his state Bihar: "It little private investment or commer- bank financing of projects and only ginal government investment in pub- nterprises and defence industries."



The poorer states need to be given more funds

Successive finance commissions (which deliberate on the devolution of non plan funds), on the other hand, have gone way beyond the Gadgil formula in building equity into their distribution. The Eighth Finance Commission (1984-89), for instance, provides that only 25 per cent of these funds should devolve on the basis of population. Another 25 per cent is divided on the basis of the inverse of the per capita income (higher the per capita income of a state, lower is its ratio) multiplied by the population (implying that greater the population, the larger your share). The rest of the 50 per cent is on the basis of the distance of per capita income from the highest per capita income state (Punjab) multiplied by the population (also implying that the more backward you are, larger is your share).

Alternative formulae

Several alternative formulae have been suggested to the Planning Commission. These take into consideration factors like state fiscal management and social indicators, principally the infant mortality rate. Financial management is suggested to be defined as a ratio of planned expenditure to expenditure actually incurred. So the greater the divergence of a state's expenditure from its plan estimates, the smaller will be its share, a measure which some say would force the states to be more disciplined in spending their funds.

Shifting weights to favour backward states substantially may be justified, as few industries wish to set up manufacturing facilities there. Even the Central public sector undertakings and the Centrally sponsored projects are unenthusiastic about going to low income states. The effects of this is considerable as disbursements through the Centrally sponsored schemes and projects are substantial, one-half of that transferred by way of normal Central assistance under the Gadgil formula during the Seventh Five Year Plan. This impairs a state's ability to both raise taxes and absorb credit.

The existing criterion of tax effort (weight 10 per cent in the Gadgil formula) is also considered regressive. Defining tax effort as a ratio of the per capita tax revenue to the per capita income excludes any consideration of a state's taxable capacity (the maximum tax possible at the existing rates). Evidence suggests that for every rupee increase in the per capita income, per capita tax revenue increases by more than a rupee.

Taxable capacity

Richer states (with high tax to income ratio) then, who collect more revenue than others, might actually be turning in a less than full effort as indicated by their taxable capacity; the reverse might be true for an underdeveloped state. They would be penalised even when turning in a better tax effort owing to their poor taxable capacity and thereby registering a poor tax to income ratio. The criterion of tax effort also does not consider the aspect of the area of a state. States judged as making a similar tax effort get the same amount even when one state is several times the size of the other.

Politically inconvenient states also tend to take away a larger share, Assam and Punjab for instance. There is also a perception that when the same party is in power both in the state and the Centre it works to the disadvantage of the state. Central governments have always been anxious to nurture states which they do not rule.

All this, then, leaves a lot that needs to be corrected. With all the determination of the new Planning Commission pitted against that of the chief ministers, the next meeting of the NDC promises to be interesting.

■ ARIF SHARIF

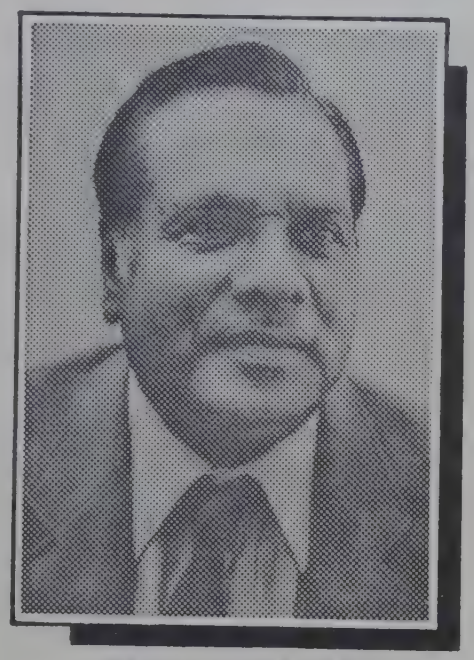
MACL

MODI ALKALIES & CHEMICALS LIMITED

Regd. Office: S.P. 460, Village Jhareda Post Matsya Industrial Area, Alwar (Rajasthan)
Head Office : 18, Community Centre, New Friends Colony, New Delhi-110065

SPEECH BY SHRI K.N. MODI, CHAIRMAN AT THE 11TH ANNUAL GENERAL MEETING OF THE COMPANY HELD ON 17TH JULY 1990.

Chairman's speech



SHRI K.N.MODI

Ladies and Gentlemen,
I heartily welcome you all to the 11th General Meeting of your Company. The Annual Report and Accounts for the year ended 31st March, 1990 are with you for some time and I take them as read.

BETTER RESULTS

During the year ended 31st March 1990, inspite of power shortage and heavy increase in power rates by Rajasthan Government, the production, turnover and profits have improved. Sales and other income was Rs. 44.03 crores as against Rs. 29.75 crores in the preceeding 11 months. The net profit has increased to Rs. 3.57 crores from Rs. 2.86 crores. The capacity utilization improved to 112 Percent for Caustic Soda as against 109 Percent in the preceeding year.

MAIDEN DIVIDEND

The Directors are happy to recommend a maiden dividend of 8 Percent on pro-rata basis on equity shares. The management is thankful to the shareholders for waiting patiently for such a long time. I hope in the coming years, there will be better returns with increased production and diversification.

BRIGHT FUTURE

During the Eighth Five Year Plan, chemical industries including chloro alkali industry is expected to grow substantially because caustic soda and chlorine consuming industries like aluminium, paper, vanaspati, soap and chemicals, have been targetted to grow substantially. The higher overall growth of the industrial sector should also raise demand of chloro alkali products. In order to ensure proper growth, however, it is desirable that there should be fair competition between those units which have been established basically to produce caustic soda and giant plants which have been established basically to produce chlorine and for them caustic soda is a by-product. As there are very good export prospects for chloro alkali industries, these giant units should export substantial portion of their production of caustic soda, otherwise, there will be imbalance in caustic soda demand/supply situation.

The management of your Company is aware of vast potentials of the industry and has taken approvals for a number of projects, some which have been implemented. The balanci equipment project has been completed.

Preconcentrators' implementation energy saving is under progress and expected to be commissioned by the end of t year.

For gainful utilisation of chlorine, Trichl roethelene project is under implementation

Two DG Sets of 12 MW are being install to enable captive power availability and ensure uninterrupted production whenev there is power cut.

Requisite applications have been submitte to appropriate authorities for further expa sion of caustic soda capacity and also to ado the latest technology of Membrane Cell.

HIGHLIGHTS

1. **During the year ended 31st March 1990, the production, turnover and profits have improved. Sales increased to Rs. 44.03 crores as against Rs. 29.75 crores in the preceeding 11 months and net profit to Rs. 3.57 crores from Rs. 2.86 crores.**
2. **The Directors have recommended 8 per cent maiden dividend on pro-rata basis.**
3. **The balancing equipment project has been completed. Trichlorethelene project is under implementation. Two DG Sets are being installed and for expansion of caustic soda capacity, applications have been submitted.**
4. **Caustic Soda is a power intensive product and electricity is not just energy but a basic input. Hence the cost of production depends to a great extent on power rates. Unfortunately in this regard Rajasthan's situation is far from satisfactory. Power rates have doubled from average of 63 Paise per Kwh in 1988-89 to 124 paise per Kwh in July 1990, making industry uncompetitive compared to units in Madhya Pradesh, Punjab and Haryana. There is a need to give concessional rates and not to have rates higher than in neighbouring states. There is a need to consider lower rates for 132 KVA and for night loads and stabilise power rates for atleast two years.**
5. **Your Company has become leading exporter of caustic soda flakes and bleaching powder. If CCS is increased from 5 per cent to 15 per cent it should be possible to increase exports of the industry to Rs. 100 crores in the next few years.**
6. **The world-over there is an atmosphere of liberalisation which is going to throw up big opportunities which we must grab and should not remain a sleeping giant.**
7. **The National Front government deserve congratulations for ably tackling various issues and liberalising economy which can be solved through everyones' cooperation.**
8. **The country is facing problem of balance of payment, debt and rising prices, all of them can be tackled by boosting agriculture production for which there are vast potentials.**
9. **Deregulation and liberalisation should be applicable to MRTP Companies also and their definition should be based on market share rather than assets.**
10. **It should be realised that every unit cannot be successful. Hence entry and exist should be free and scheme of social security should be introduced in which industry, worker and government each should contribute one percent of wage bill.**

OWER

ustic Soda is a power intensive product and ectricity is not just energy but a basic input. ence the cost of production depends to a eat extent on power rates and availability of wer. Unfortunately, in this regard Rajas-an's situation is far from satisfactory. There e frequent power cuts necessitating indus- to install power generating sets at heavy vestment cost, the generation cost of which also higher, compared to electricity supplied the Board.

The power rates have been increasing roughout the country but the increase in ajasthan from average of 63 paise per Kwh 1988-89 to 89 paise in 1989-90 and further 124 paise per Kwh from July 1990 is very gh. Thus in one year the power rates have early doubled adversely affecting the profit-bility not only of caustic soda industry but aking industrial units in the State uncompet-ive compared to the nearby States where ower rates are lower. Your company has lready represented to the State Government uly supported by the financial institutions. In ndustries, where power is used as a raw naterial there should be concessional rates.

Since line losses are less on 132 KVA lines, nose units which are on 132 KVA should be ranted suitable rebate. Industry should also e encouraged to use more power in the night y having lower rates for night operations. In rder that industry in Rajasthan is able to ompete with units of neighbouring States ike Madhya Pradesh, Haryana and Punjab, ower rates should be comparable with them.

EXPORTS

Your Company is conscious of its responsibil-ity to help the country to augment foreign exchange earnings through exports. It has become one of the leading exporter of caustic soda flakes and bleaching powder. There are very good potential for expanding exports further to developing countries for which long term policy is required to give adequate encouragement in the form of enhanced cash compensatory support. If CCS is increased from 5 per cent to 15 per cent it should be possible to increase India's exports of caustic soda to Rs. 100 crores per year in the next few years.

CHALLENGES OF CHANGING ECONOMIC SCENARIO

There had been lot of turmoil in political sys-tems and economic thinking in a number of countries of East-Europe during the year gone-by. The political structure in East-Europe and USSR have seen unprecedented changes making their economies more open, giving greater role to private initiative and reducing regulations and restrictions whether political or economic. Two Germanies are in the process of unification; their currency has become one with effect from 1st July 1990. The world over there is an atmosphere of lib-eralisation to fulfill aspirations of masses for better life and greater freedom. These changes are going to throw up big opportuni-ies which we must grab, and should not remain a sleeping giant. There is a need of awakening because it is a case of **"either now or never"**. As India has developed considera-ble capabilities, there is great scope for joint ventures with East-Europe and greater opportunities for exports both of capital and consumer goods.

At home, National Front Government led by Shri V.P. Singh came into power in December 1989 and various sections of the public have great hopes from the new Government, which is facing a number of problems and challenges. The problem of Kashmir and Punjab remain as knotty as before. The Seventh Five Year Plan has ended in March 1990 after exceeding the GDA growth target of five per cent, but as yet unemployment and poverty remain big challenges. It is expected that 65 million persons will need jobs in the next 5 years. We are also facing serious balance of payment situation inspite of substantial growth in exports. The increasing internal and external debts and continuous rise in prices are other big challenges. These difficult problems can be solved through cooperation of everyone of us because basically our economy and political system is very strong. I would like to urge that business and industry should fully cooperate with the government in sorting out various issues and ensuring faster growth.

The Government deserve congratulations for ably tackling various issues. In Eighth Five Year Plan, 49 per cent of resources are proposed to be allocated for agricultural and rural development. There is a need to allocate adequate resources for irrigation, better seeds, improved agricultural practices and fertilisers. So far we have exploited only 20 per cent potential of agricultural sector. With the application of bio-technology and genetic engineering extensively, it should be possible to treble the food grains production to 450-500 million tonnes per annum and at least double production of many cash crops like groundnut, soyabeans and other oil seeds, pulses and sugarcane, which will give a big boost to GNP, exports and overall development and growth. It is estimated that in Eastern-India alone additional 80 million tonnes of foodgrains worth Rs. 24,000 crores per year can be produced by fully utilising minor irrigation potential. With the increased production and productivity, there will be substantial surplus for exports and very good scope for developing agricultural processing industries, dairy farming, horticulture and flower cultivation for improving income of farmers and boosting exports, making India net exporter rather than importer of agricultural products. This will also help to absorb to a large extent 65 million persons requiring employment during Eighth Five Year Plan and we will be able to eliminate poverty to a great extent. The boost in agricultural production will also help to stabilise prices and help solve problem of balance of payment. Thus we must make an all-out effort for faster agricultural development which will automatically give boost to the industrial sector also.

There is an era of deregulation world-over. Our government is also keen to eliminate delays and remove avoidable controls. It has increased the limit of delicense and gradually minimising approvals required. These changes are steps in the right direction, but it is necessary that all companies including MRTP companies should be deregularised and given an opportunity for growth and development. Further the definition of MRTP companies should be based on market share and not on assets. However, if criteria of assets is kept, it should be raised to Rs. 500 crores because of manifold increase in project costs in recent years.

There is growing globalisation of economic activities and inter-dependance is increasing. India should take full advantage of these changes by integrating into the world economy and have an outword orientation so that we may modernise faster and get latest technologies for the new ventures. In this context, the industry appreciates the recent changes in policy of foreign investment and royalty rates. Though it is necessary that we receive fair share of foreign private investment rather than depend upon external borrowings, but at the same time first we should encourage internal competition to prepare us for global competition.

The balance of payment, as I referred earlier, continues to be an area of great concern. The problem can be solved to a great extent by conserving energy and increasing production of oil seeds and pulses and in the long run by improving agricultural productivity. We can save considerably on imports of petroleum products by improving working of Electricity Boards, improving designs of diesel engines and pumps and have better efficiency of automobiles and reducing bottlenecks to the road transport.

To check inflation and reduce dependance upon borrowings, recently government has very rightly taken a decision to have an economy of 10 per cent in expenditure. We should help to reduce deficit finance and control inflation. If unproductive expenses are reduced and the working of public sector is improved where Rs. 70,000 crores are invested, our economy can be in a much better shape than what it is today.

It should be realised that every industrial unit cannot be successful. Therefore, the industry should be free to close down the units which it feels cannot run economically. In order to minimise sufferings of workers there should be scheme of social security for which industry, worker and government should contribute one per cent each to take care of unemployment insurance for a limited period.

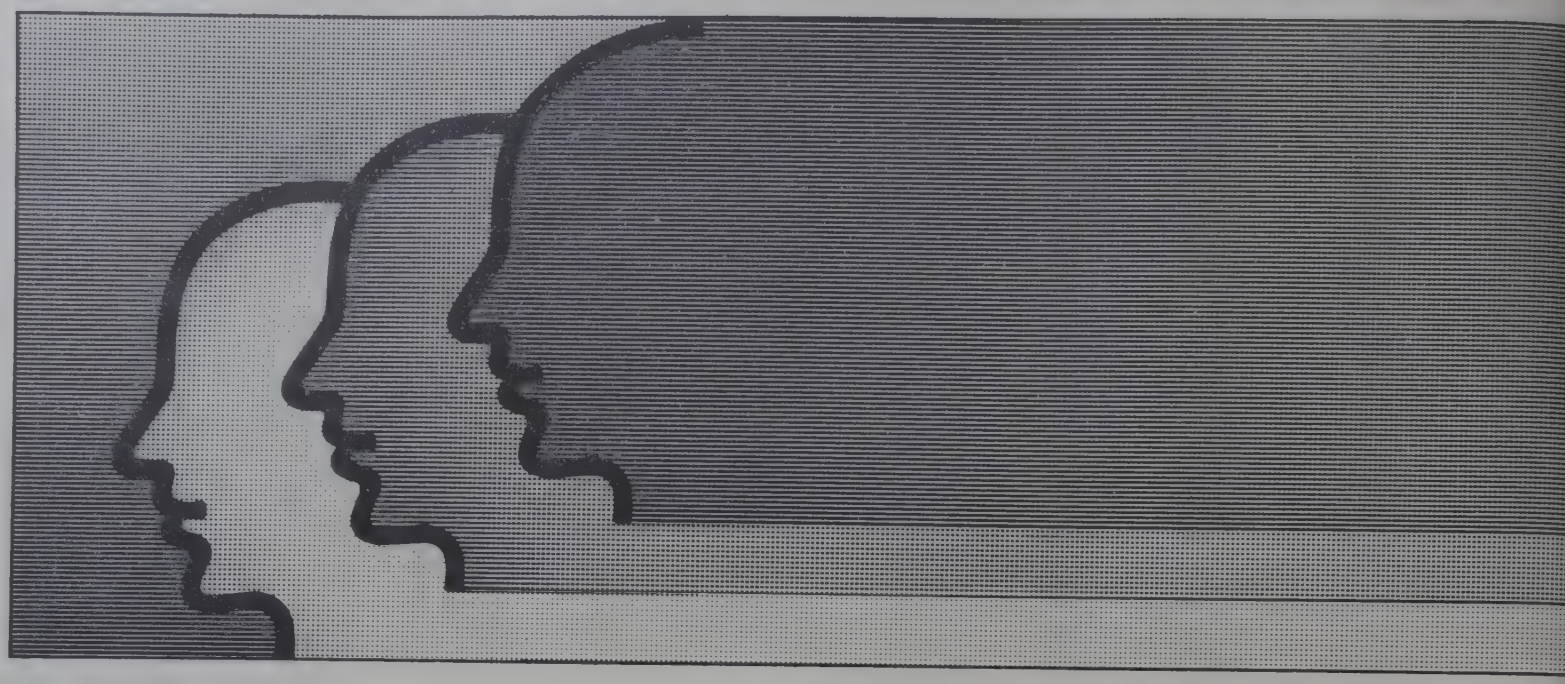
ACKNOWLEDGEMENT

The improvement in working of the company has been due to hard work put in by the Management team, Officers, Staff and Workers at all levels. I place on record, thanks to them on my behalf and on behalf of the Board. The industrial relations remained cordial and I hope in future also the management-workers relations will be productivity oriented.

I am thankful to the financial institutions, the commercial banks, the Central and Rajasthan Governments for their support, assistance, encouragement and guidance. I would also like to thank the Directors on the Board of the Company who have made fruitful contribution in improving the working.

Note : This does not purport to be a part of the proceedings of the Annual General Meeting.

BE THE BEST OF THE BEST



The Management Development Institute announces its Fourth National Management Programme.

A comprehensive management programme for today's promising achievers seeking responsible leadership tomorrow. Structured to enhance your ability to handle higher responsibilities, efficiently and confidently. Offering an opportunity to interact with professionals from diverse fields, thus, broadening your horizons.

Highlights of the Programme

- In co-operation with the four IIMs and XLRI
- A distinguished faculty, including eminent personalities from the IIMs, and other institutes of repute
- Sponsored by the Department of Personnel & Training, Government of India
- Contents of the Programme designed to suit your experience and position for assuming higher responsibilities.

Participants

Officers in All India Services and Group 'A' Services of Central and State Governments, Managers in Public & Private Sectors, and decision-makers in family-owned enterprises.

Qualifications

A minimum of 50% aggregate marks in graduation and also in any one of the examinations held by a Board/University for 10th, 11th or 12th standard. Age below 35 years. With at least 5 years of work experience.

Duration

Fifteen months: 12 months at the MDI Campus, Gurgaon (near Delhi) and 3 months on project work in the sponsoring organisation. The Programme commences on July 1, 1991.

Selection Procedure

You are required to take the Common Admission Test (CAT) of the IIMs, to be held at different centres throughout India on Dec. 9, 1990. A separate advertisement for CAT will appear in national newspapers around Sept. 1, 1990. CAT bulletins will be available at selected SBI branches from Sept. 3 till Oct. 6, 1990. Selection will be based on our evaluation of your performance in CAT and subsequent interview at MDI.

For NMP application form and prospectus or further details write to the address given below. Last date for receiving filled-in NMP forms at MDI is Nov. 30, 1990.

The Programme Officer

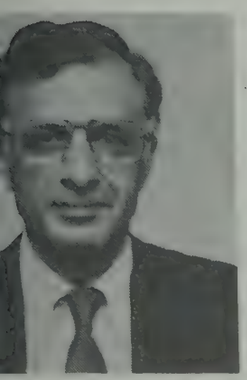
National Management Programme

Management Development Institute

Post Box No. 60, Mehrauli Road Gurgaon-122 001.

O&M/250

We have it in us



N MAIRA

Indians are now the richest immigrant community in the US, richer per capita even than the American Jews. Amazing but true. Indians have made their mark in this competitive society as doctors, scientists, professors, engineers, and businessmen.

On a recent visit to India, I travelled the country with young Indian managers, in their twenties and early thirties. Their intelligence and zest for building a better world around them infected me as it always has. We do have some of the best human capital in the world. Yet, in India, one cannot help but stumble into the disorganisation and wade through the tardiness which seems to pervade it. With such bright individuals, why are we, by and large, a nation that produces such a poor quality of goods and services by international standards?

Individuals do not produce the goods or, by themselves, deliver the services that a modern society demands. Their talent has to be gathered in organisations which, by combining the efforts of many, can produce the transportation and communication services and the gadgets and goods which we as consumers and citizens of our country expect. With a few exceptions, large organisations in our country do not produce "world class" quality goods and services. They seem unable to harness the talent which, as individuals, Indians possess and have demonstrated around the world.

Passing the buck

Heads of our firms may contest this basic premise that Indians are a finer lot than most. The Indian character, they may say, is indisciplined and not inclined to do strenuous work. Hence, we cannot achieve the quality that firms in other countries consider standard. Employees in our large firms may also agree that there is a more general malaise and that it is up to "the government" or "the management" to do something about it. Always, someone else is the cause or someone else has the responsibility, to initiate action.

I have often discussed with young Indians what we need to do to propel our institutions into the world quality league. Inevitably, the discussion comes to the need to, somehow, first improve the Indian "character", emphasise the importance of punctuality, and become less tolerant of mediocrity and imperfection. But who is this Indian character that we need to change before we can get results? Surely not me!

There is no use, many argue, in one person making the change, for what can one do amidst an ocean. The riposte is that surely one can create, with the few around oneself, an island of excellence; an example that shows that we Indians can make it with Indian heads and hands. Soon these tiny ripples within an organisation begin to join in a wave of change and then many interlinked organisations combine in a tide which would sweep on to make a mark in the world.

Fifteen years ago, V.S. Naipaul who is always depressed by the decay he sees in Indian society, noted these ripples of change. In *India: A Wounded Civilization*, he wrote about his trip to the new industries growing around Pune. "The plateau around Pune is now in parts like a new country, a new continent. It provides uncluttered space, and space is what the factory-builders and machine-makers say they need; they say they are building for the 21st century. Their confidence, in the general doubt, is staggering. But it is so in India: the doers are always enthusiastic. And industrial India is a world away from the India of bureaucrats, journalists, and theoreticians."

Competing abroad

In the past two years, many more Indian organisations, big and small, have ventured into more competitive markets outside India, drawn by the challenge they provide and armed with competitive prices thanks to the devaluing rupee. They will have to create a good image of Indian industry where none has existed, and overcome the poor image where others before them have half-heartedly dabbled.

We need both leaders and managers. We need leaders to set new standards: leaders of firms and of small units within firms. They will believe that we can be the best and they will communicate that belief by word and example. As Antoine de Saint-Exupery says, "If you want to build a ship, do not beat the drum for men to gather wood, give orders and divide the work. Rather, teach men to yearn for the far and endless sea". We also need managers to survey the waters, chart the course, and instruct the crew. We will succeed in export markets by a systematic assessment of market requirements and by development of the products and channels to meet those requirements.

It is not good enough for the nation that individual Indians succeed abroad. Indian firms must compete successfully in the international marketplace. The larger firms in India that attract the best talent and provide the most systematic training have a pool of people resources that they can leverage to expand their markets abroad, especially for niche products and technical services where the engineering input is high. However, quality and reliability will have to be our watchwords, not merely low cost.

author was till
ntly executive
ctor of Telco. He is
a senior
sultant with Arthur
ittle Inc,
nbridge, Mass., USA

Time to unite

For the stalwarts of the Indian computer industry, a petition dismissed by the Hyderabad city civil court, late last month, meant a lot; it confirmed the validity of the election of the new office bearers of the Computer Society of India (CSI) — the 25-year-old body of computer professionals and academicians with over 10,000 members.

The controversy, which according to a CSI old timer, "was something to be ashamed of", began in January this year when nominations for the new office bearers of the Society were being mooted. Acrimony led to intrigues, verbal duels and allegations that the executive committee had refused to announce the names forwarded by the nomination council.

According to the CSI constitution, the nomination council has to forward a list of names for the office bearers, which is published by the executive council. Petitions, if any, are called for if any member has any objection to the nomination of a person. This time, however, petitions were doing the rounds even before the names were released, to which the nomination council expressed its reservations. While the nomination council's list had the name of N. Seshagiri (director of the National Informatics Centre), for presidentship, the executive council had proposed R.K. Datta, project co-ordinator at the department of science and technology and formerly vice-president of CSI.

Controversial elections

After a few nominations were withdrawn — prominent amongst them being that of Seshagiri — and an extraordinary national council meeting convened in June, giving members enough opportunities to spew venom at one another, issues were apparently settled. However, when the list of office bearers was out, it was found that those whose names had not been suggested by the nomination councils, had become the new office bearers. And although Hemant Sonawala, the immediate past president of CSI, claims that "the elections were legal under the society's constitution", CSI found itself riven by bickering and squabbles in its silver jubilee year.

Given the comparatively small size of the Indian computer industry, the number of organisations representing its interests in various forums is large. While most industries have one body lobbying for it, the computer industry has three. Apart from the CSI, which consists of people from all segments of the industry and research bodies, the others are the Manufacturers Association of Information Technology (MAIT), a representative body of companies manufacturing computers and peripherals and organisations which have taken up training, and the National Association of Software and Services Companies (Nasscom), a break away group from MAIT which came into existence last year.

Till the CSI imbroglio, elections to these bodies were as non-controversial as the computer industry itself. This may have been so because the industry was still in its infancy, and individual stakes were not high enough. Matters have, however, changed dramatically now. After CSI, it was the turn of MAIT. In the elections for the MAIT office bearers, a rank outsider, Rajendra Pawar, chief of NIIT, became the new president. "MAIT represents hardware manufacturers, and Pawar heads a company which is into computer training," points out a disgruntled insider. However, Pravin Gandhi, MAIT's vice-president for this current year says, "We are trying to broadbase the organisation and the elections went off without a hitch."

Fight for market share

The differences among MAIT members are not difficult to discern. While CSI has become "too unwieldy and suffers f lack of focus", rivalry has arisen a MAIT members as a direct result market situation. "At the end of th MAIT members know that even th they may be discussing organisa matters, an hour later they will be ing it out for a market share. So, it is cult for them to appreciate each o views," says an industry insider.

Meanwhile Nasscom, still a small with 30-odd members, went throu own elections, very quietly and by th book. "Maybe we have learnt fro MAIT experience," says Prem Shivd who has been the president of bodies. Harish Mehta, president- feels that Nasscom's priorities are focussed. Also, since members are competing in the local market, they have bones to pick with one another.

However, what is important is the played by each of these bodies in fue the interests and growth of the evo computer industry. CSI came into b when the industry was still in its nas form. And, anyway, it does not clai "represent the industry but the profe nals". Although CSI has a lot of clout cause all major manufacturers are members, of late, its role has been stricted to holding the annual indu jamboree (scheduled in Calcutta in O ber this year) where all come to dis their new wares. At present, it is invol in creating a mass base by opening r regional chapters.

No user base

MAIT, meanwhile, has been interact more with the government than with users. Among its achievements, the b claims, is the fact that there were no levies on the computer industry in year's budget. It is therefore only sscom which is taking up broader iss like software piracy and software ports, egging the department of el tronics to declare a new, pragma software policy. However, even here, end users do not come into the pictu And, as an industry watcher rightly as how will the industry grow until a us base is cultivated?

The question therefore remains: w these representative bodies, given t lack of resources and a proper admin trative set up, address the needs of the dustry by interacting with the users remain a house divided?



Sonawala: "the elections were legal"

RAHUL SHARM

Say 'good morning' in Frankfurt.
Have a good day anywhere in Europe.



On Lufthansa you arrive in Frankfurt early in the morning. At just the right time to begin your day. Or catch your connecting flight to any major city in Europe or beyond. It's all part of Lufthansa's commitment to help you meet your growing business commitments. Swiftly, relaxed and on time.

Lufthansa



ABB in Power Transmission & Distributio
Technology to cut transmission loss.

Asea Brown Boveri has the strength to stop this wastage. Through sophisticated equipment that help cut transmission costs and ensure stabilised distribution.

And advanced systems that protect a variety of electrical installations.

ABB has the leading edge to optimise the availability of electricity. With advanced technology, infrastructure and skills in Power Transmission and Distribution.

ABB. Powered by the international merger of two electrical engineering giants. Asea and Brown Boveri. Providing ABB India with privileged access to technology advances worldwide.

- Power Generation
- Power Transmission
- Power Distribution
- Industrial Electronics
- Industrial Equipment and Systems
- Transportation
- Telecommunications

ABB. THE WORLD'S LARGEST ELECTRICAL ENGINEERING GROUP.

MAA COMMUNICATIONS 1215

rores of power every year?





2

1. 400 kV SF6 Circuit Breaker
2. 220 kV Switchyard at NTPC, Anta
3. High Voltage Direct Current Valve



1



3

Asea Brown Boveri Limited
Sona Towers, 71, Miller Road
Bangalore 560 052
Tel : (0812)-266315
Telex : 0845-8394 ABBL IN
Fax : (0812)-264147

ABB
ASEA BROWN BOVERI

IF YOU WANT TO BE AN INNOVATOR, YOU MUST FIRST UNDERSTAND THAT ALL BIG REVOLUTIONS START WITH SMALL ONES.



Every time the country has taken a step forward, it's because someone dared. Dared to take on challenges that no one else would. The history of Kirloskar Electric is living testimony to this belief. It is the history of engineering firsts in industrial electrics and electronics in India.

If you have got your priorities right, things begin to happen. Kirloskar Electric was one of the first Indian companies to realize the importance of electronic controls and CNCs for Indian industry and to start manufacturing them. One step at a time. We indigenized the technology and started the CNC revolution in India almost single-handedly.

But the need of the hour was relevant technology. In a country like ours where resources are tight, there's no way we can replace lakhs of solid old machine tools overnight. The answer, of course, is to make the best of both worlds: give CNC capabilities to the old machines. That's just what we've been doing. Retrofitting them on a crash basis. And simultaneously making some innovative contributions to CNC retrofit technology.

For instance, we've come up with a totally new concept in turning automation called Companion that won, at its very first appearance, the highly prestigious FIE award at IMTEX '89.

We designed and developed the Companion in 7 months flat. The Companion is a CNC turning attachment that allows medium and small centre lathes to switch instantaneously from a conventional mode to CNC and back again.

Built on modular principles and with an automatic tool turret, the Companion uses the spindle of the existing machine. And permits the customer to choose the degree of automation that suits his pocket.

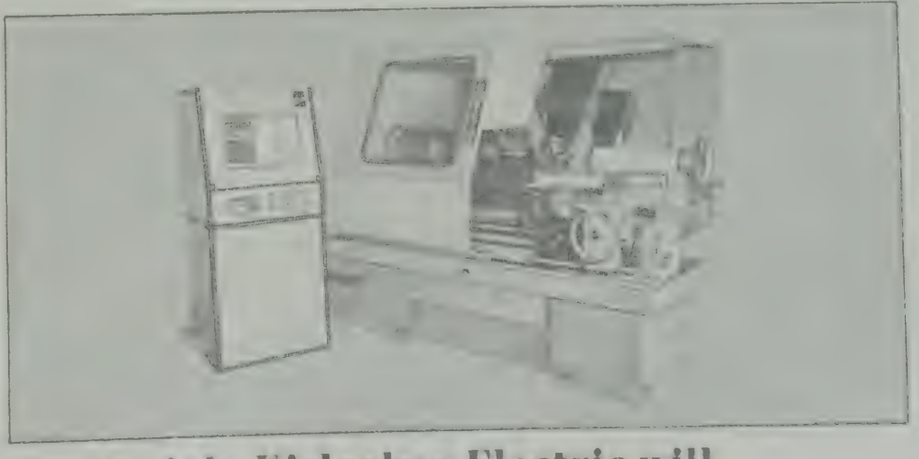
Thanks to the Companion, the micron-accuracies achieved by conventional centre lathes are as high as those of full-fledged CNC lathes. Obviously this means that productivity and profits are substantially higher. Plus, of course, since the Companion costs a whole lot less, it pays for itself in half the time that a new CNC would.

But Kirloskar Electric is more than the sum of all the firsts it has earned over the years. We are India's leading industrial electrics and electronics company in the private sector. We make some of the finest standard AC and DC drives, transformers, welding equipment and systems, motorised gear units, equipment for defence, electronic control equipment, CNCs, etc. But the one single reason why we are the prime movers in our field is because the centre of gravity at Kirloskar Electric is the customer. Our hi-tech, engineering expertise, superior quality and reliability are all geared to anticipate and respond to his needs.

KIRLOSKAR ELECTRIC CO. LTD.

INDUSTRIAL ELECTRICS AND ELECTRONICS

Regd. Office : Industrial Suburb, Rajajinagar, Bangalore-560 010.

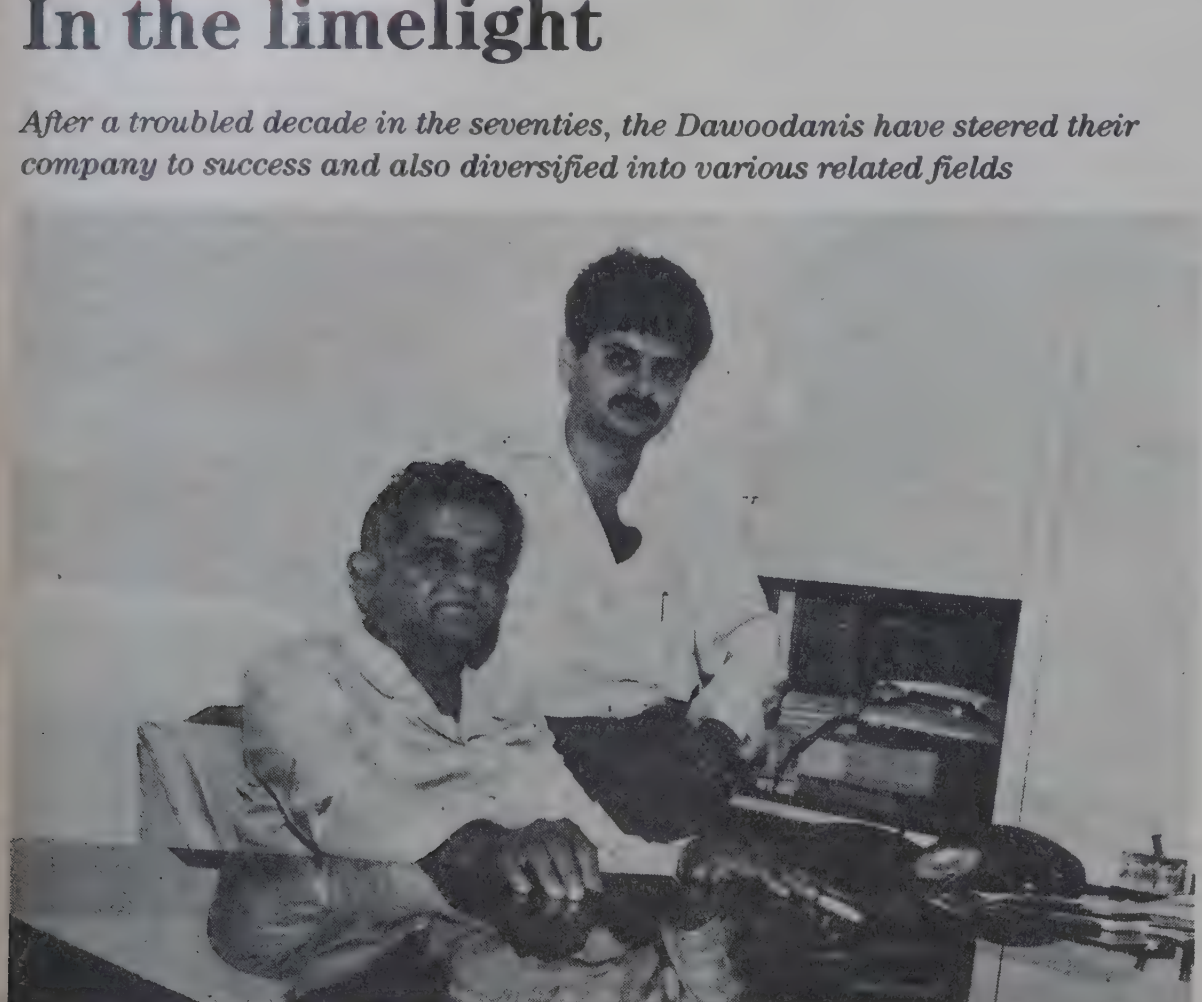


When nobody else can do the job, Kirloskar Electric will.

LIME CHEMICALS

In the limelight

After a troubled decade in the seventies, the Dawoodanis have steered their company to success and also diversified into various related fields



Hussein and Ahmed Dawoodani: succeeding through "courage and hard work"

Orphaned as a child, he was adopted by a schoolteacher at the Fidai Trust orphanage run by Ismaili Khojas in Bombay. At 13, he started serving as an apprentice in a grocery shop. When he was 19, he began cycling through the bylanes of south Bombay, hawking biscuits. And by the age of 56, he had managed to set up four confectionary shops.

Today, Hussein Dawoodani, 63, presides over a clutch of half a dozen companies manufacturing a wide range of chemical products. The five plants located all over the country turned out goods worth Rs.30 crore last year. "It has taken a lot of courage, hard work and help from good friends," says a contented Dawoodani about his success.

Today, in addition to Lime Chemicals Ltd (turnover: Rs.4.5 crore) — the original unit he set up for producing calcium carbonate — Dawoodani has promoted Silvo Liacal Pvt Ltd (Rs.12 crore) which manufactures auxiliary chemicals for petrochemicals; Thirani Chemicals Ltd (Rs.1.2 crore) for producing calcium carbonate and Ropa Laboratories Pvt Ltd which makes bulk drugs.

In calcium carbonate, their major product, Dawoodani's companies hold an estimated 17 per cent of the market share. Their client list includes well known names like Colgate Palmolive, Balsara Hygiene, Finolex Cables and ONGC. The products are used in a wide range of industries like textiles, food and pharmaceuticals, cosmetics, plastic, paper and leather. Apart from Bombay, the companies operate from eight other marketing offices.

Humble beginnings

Even though his companies are today among the most promising in their fields, Dawoodani has not forgotten his humble beginnings. In 1970, then a small time confectioner, he was invited to the opening ceremony of a chemical plant in Bombay. There, chief guest Y.B. Chavan, former cabinet minister, exhorted traders to enter industry. Instead of forgetting the routine speech after the applause had died down, Dawoodani was inspired by it to go into manufacturing.

The same year, he set up Lime Chemicals, a small-scale unit to produce calcium carbonate at Roha, Maharashtra. He and his partner, Pratap Pichiani, roped in Rajabali Meghani, a well-to-do watch trader. The three put in the initial investment of Rs.2.5 lakh. With Rs.7.5 lakh coming in from the state government and the B of Baroda, they figured they were on th way to the big time.

But the initial years were rocky. Una to put its act together, Lime Chemi started making heavy losses in the m seventies. From 1974 to 1976, the fact even remained closed and accumula losses mounted to Rs.12.56 lakh. A disi sioned Pichiani took back his initial vestment and deserted the fledgl enterprise. "I went back to sit in my sh and think about what had gone wro With bank liabilities and debts on head, I decided to try again instead of qu ting," says Dawoodani.

Aware that his main drawback w technical and industrial expertise, he proached Vinod Shah, a chemical en neer, who had earlier studied the unit potential buyers. Shah agreed to he Dawoodani and worked out a plan for t revival of Lime Chemicals. They cut do overheads and power consumption, placed and repaired malfunctioni equipment.

Talented professionals

Most important, Dawoodani and Sh started monitoring both the quantity a quality of limestone, the main raw ma rial, to reduce wastage. In the four yea that it took to turn the company arou Dawoodani built up a team of talent technical, marketing and quality contr professionals to overcome the lacunae his management. The company today em ploys around 100 professionals.

By 1983, Lime Chemicals was maki profits and so Dawoodani and his lon standing financial partner Meghani sta ted looking around for a new project. A Shah's suggestion, Silvo Liacal came int existence in 1985 with a plant at Maha again in Maharashtra, for the manufa ture of specialty chemicals. Dawooda had to muster up Rs.10 lakh and he sol one of his shops for the new venture. "Th margins here are much better than in ca cium carbonate and the organic com pounds we went into, have a wider range application," says Shah. There was also a important synergy between Dawoodani two companies: common customers.

Another important milestone in th group's history was Lime Chemicals Rs.65-lakh public issue in 1986. The issu was masterminded by Dawoodani's so Ahmed who had left college at 18 to hel his father through the turmoil of the lat seventies. The promoters retained 30 pe cent of the share capital, and the financia

itutions about 10 per cent; the issue oversubscribed 14 times. Says Ahmed voodani, "At some stage, one needs to public funds to grow. If other comies could go public, why not us?" With ds raised from the issue, the Dawanis were able to modernise and exd the Roha factory.

y 1986-87, Lime Chemicals had ieved a turnover of Rs.2 crore and the npany had established a strong foot- in the western market. Meghani and voodani then started eyeing the north- market. As the limestone required ne from Dehra Dun in Uttar Pradesh, ing to transport the finished product k to the north was unprofitable. And h the demand in the industry ahead of pply by 77,000 tonnes per annum (tpa), decided to increase our market share hout adding excess capacity by start- a new unit," says Ahmed.

Subsequently, the group acquired rani Chemicals, a sick unit in Himachal desh. At that time, Thirani's produc- n was only 200 tonnes a month, much ow its installed capacity of 6,000 nes. Using their previous experience, Dawoodanis set about making it a via- unit. They replaced some outdated ipment and cut production and fuel ts.

ggest moneyspinner

rani has since managed to wipe out its ses of over Rs.65 lakh and for 1989-90, ven turned in a net profit of Rs.45 lakh. losely-held company, with the promo- s holding over 80 per cent of the total ity of Rs.44 lakh, the company's EPS is und Rs.8.93 as against the industry av- ge of Rs.6. "It is the group's biggest neyspinner today," says N.H. Mankad, mpany secretary of the group.

Emboldened by the Thirani acquisition, father-son duo next went on to acquire other sick units, Regent Chemicals Ltd Roha and Ropa Laboratories Pvt Ltd at pi, Gujarat. This marked their entry into new arena, bulk drugs. Though Regent emicals manufactures the much-in-de- nd paracetamol, it has yet to stabilise. e new owners, however, have managed cut down the accumulated losses of 1.35 crore to Rs.90 lakh by March 1990. Ropa, they revamped the outdated nt completely and started bulk drugs nufacture, mainly for the exports mar- . The plant, which was commissioned July this year, is ready with its first con- nment for the USSR. This being their t attempt at exports, the Dawoodanis are restricting themselves to small orders, obtained through exporting agents.

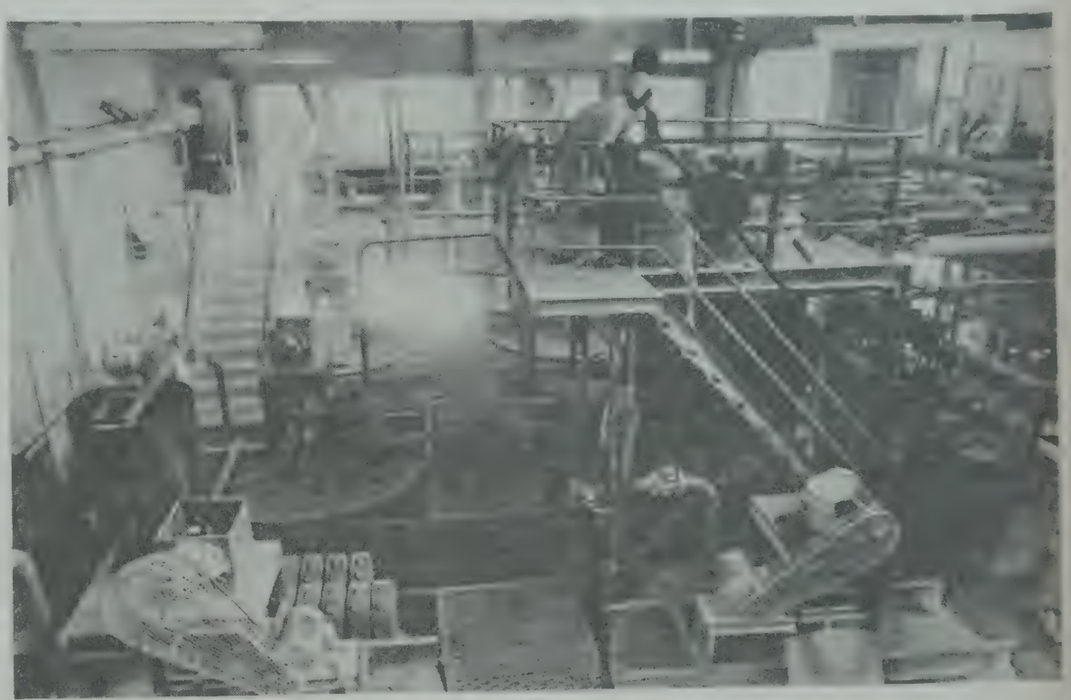
For domestic sales of calcium carbonate, however, they have set up an extensive marketing network in a number of cities. "We do not have a very good experience of selling through traders. so we prefer to market our products directly. And sales is something my father and I personally keep tabs on," says the younger Dawoodani. Apart from marketing, the Dawoodanis personally run the entire show with the help of a few old-timers. The father looks after Regent and Silvo Liacal, while the son handles Lime Chemicals and Thirani.

According to competitors, this close door style of management in the companies has led to a blinkered approach and there is not enough innovation and professional skills. Ahmed says that the personal touch they bring to the company makes for an "informal and family type" atmosphere. However, he points out that as the group grows further and evolves, decentralisation will occur as a natural consequence. "Though we are not academically or technically qualified, we have learnt from experience. All it takes is common sense and the willingness to observe others and learn," he says.

Erratic product quality?

A leading consumer of calcium carbonate, however, says that their lack of expertise reflects in the erratic quality of their product. According to a middle-level executive at Asian Paints, the company had bought calcium carbonate from Lime Chemicals for some time but had ended the association due to quality problems. Ahmed Dawoodani, however, claims that all his companies are very "quality conscious" and that the Asian Paints aberration was "one of those things...."

Support comes from an important quarter: Balsara Hygiene Products, one of the premier manufacturers of toothpaste, which consumes huge quantities of calcium carbonate. "We have been dealing with the Dawoodanis for the last eight years," says S.R. Chowdhury, materials manager of Balsara. "They have come up very fast in a very short period. And they couldn't have achieved this if their quality had not been good."



Lime Chemicals plant: taking care of the western market

Although a few competitors warn that the father and son have their fingers in too many pies and are spreading themselves too thin, the Dawoodanis are undaunted. Plans are afoot to expand facilities in Silvo Liacal, Ropa and Regent. "Growth is a snowballing process. Either we pay all our profits as taxes or we keep on expanding," says Ahmed Dawoodani. Adds the unassuming Hussein Dawoodani, "As a child, I dreamt of becoming a big industrialist and toiled all my life. Now hard work has become second nature for me."

Although his foundations are now stable, Hussein Dawoodani is still fortifying his castles, the ones he had dreamt about in his childhood.

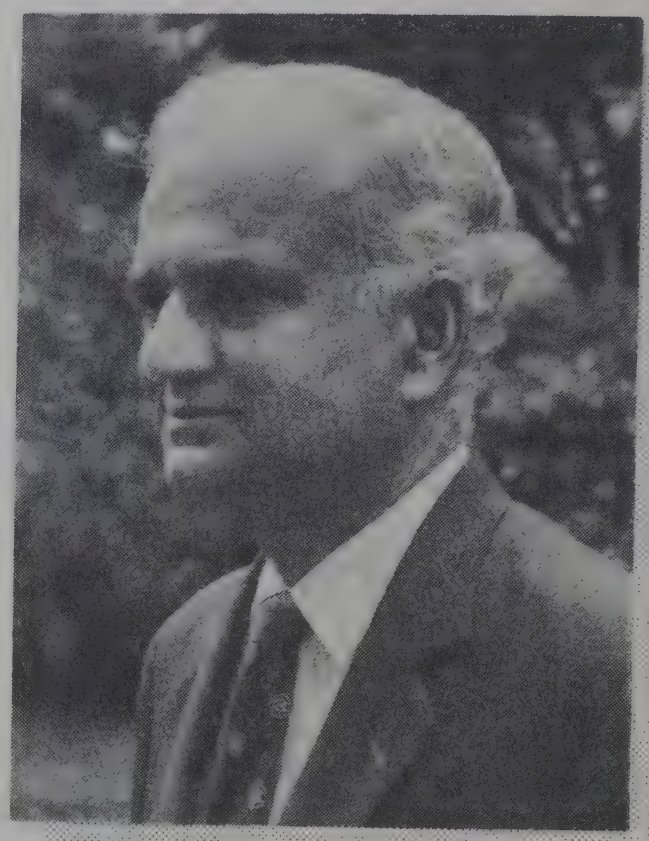
■ SUDESHNA SEN

TIDEWATER

TIDE WATER OIL CO.(I)LTD.

(A MEMBER OF THE ANDREW YULE GROUP OF COMPANIES)

Highlights of speech by Shri K.S.B. Sanyal, Chairman, at the Annual General Meeting on July 30, 1990.



INNOVATION AND PROGRESS

Over the last couple of decades, technology has been playing an increasingly important role in Indian industry. The growth in awareness level and attitudinal reorientation towards technology are welcome developments. Today, a positive approach towards the technological aspect permeates not only industry but to a large extent government and labour as well. The fallout has been entirely beneficial: a distinct trend towards growing efficiency in the workplace, greater striving for quality and manufacturing excellence and evidence of increased innovativeness in many spheres.

India today is rightly considered a world force, a major resource centre, with growing self sufficiency in oil, gas, coal, steel and specific areas such as engineering. Thousands of new, sophisticated enterprises are blossoming all over our subcontinent. And since this growth trend is here to stay, we must learn to accelerate and maintain the pace of innovation and progress.

High technology must play a key role. We must boost productivity, maintain a technological edge in products, and spawn innovative growth industries that will in turn create more employment and revenue for the exchequer. A competitive spirit based on loyalty to one's organisation and pride in its products must become widespread from the management level right down to the assembly line. Innovation must be nurtured at every step.

SMALL IS BEAUTIFUL

I joined your company in 1975 as Chief Executive and grew with you to be its Chairman. During these years I have absorbed, assimilated and tried my best to contribute value the proud heritage and truly professional culture that the Andrew Yule Group and Tidewater have come to represent.

In this, my last address to you before I complete my tenure office, you will no doubt allow me to add a personal note an say that I am proud and honoured to be a part of this very dynamic organisation. Through vision and spirit, endeavour a excellence, Tidewater has made its distinctive presence felt i the corporate sector.

Way back in 1928, Tidewater had begun as a small compar within the Yule Group. Today, standing on the threshold of th new century, I perceive Tidewater as a pioneer, a trend-setter, 'big-little' organisation capable of making original contributio of fundamental significance to its sector. If small is beautiful, then the beauty of Tidewater lies in its vibrant energy, in the excitement and anticipation that permeates its being. I feel th this company is poised on a launching pad, ready to surge ou into new directions of opportunity.

VANCED LUBRICANTS FOR DAY AND TOMORROW

idewater has always been in lubricants—the phenomenal elopment of which has accompanied the progress of nology worldwide, both as an end-result and adjunct to it. histicated new-generation machines, increasing automation, anced process technologies and new standards of 'lube formance' have energised the development process.

he current overall national demand for lubestock is over kh tonnes a year. Production from Haldia, Madras and mbay refineries totals around 5 lakh tonnes. The deficit is jected at 3.10 lakh tonnes by 1991-92 and 7.41 lakh tonnes 2000.

am happy that Tidewater is ready to face the concomitant llenge. The company has progressed from the production of mary lubricants to that of hi-tech totally protective ricants for use in the automotive and industrial sectors. Our ge of synthetic and semi-synthetic lubricants manufactured world standards of excellence mark true product akthroughs. Of course, our mainline mineral-oil based ricants continue to be among the best as they have been for r 60 years. I sincerely believe that Tidewater deserves the pport and encouragement of the Government, the Ministry of roleum and the major oil companies toward contributing ther in the development of advanced lubricants technology.

ROWTH GENERATES MORE GROWTH

At the turn of the decade, I feel it is entirely appropriate to ok back on our achievements over the Eighties. Let me capitulate for you the fortunes of this company as it ogressed through the decade. In tandem with India's move eper into the Technology Age, Tidewater's sales volume reased by 53%, turnover increased by 272%, profit before preciation by 715% and general reserve by 657%.

Our in-house Research & Development Centre at Deonar, mbay, continues to focus intensely on product innovation d quality control. Sophisticated formulations evolved here ve successfully met stringent demands and standards cifications from various industries. Today, I can confidently clare that our R&D Centre stands in a unique position from ich it can match equally unique and specialised industrial uirements.

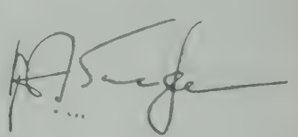
You will have no doubt noted from the annual report for 1989-90, the last financial year, that Tidewater has recorded its highest profit, before depreciation, of Rs. 1.44 crores, an increase of 23% over last year. Sales revenue went up by 11%. The company has also declared a record dividend of 35% on ordinary shares.

I am pleased to add that Tidewater has lived upto its role as a socially responsible corporate citizen within its capabilities. Our various activities included supporting the cause of the Public Relations Society of India by part-sponsoring PRSI's 12th conference; promoting sporting activity by providing advertising support to the Junior National Badminton Championships at Calcutta; and providing financial assistance to the tune of over Rs. 1 lakh to the Ramakrishna Mission towards Vivekananda Palli Rehousing Scheme in North Calcutta.

GEARING UP FOR CHANGE

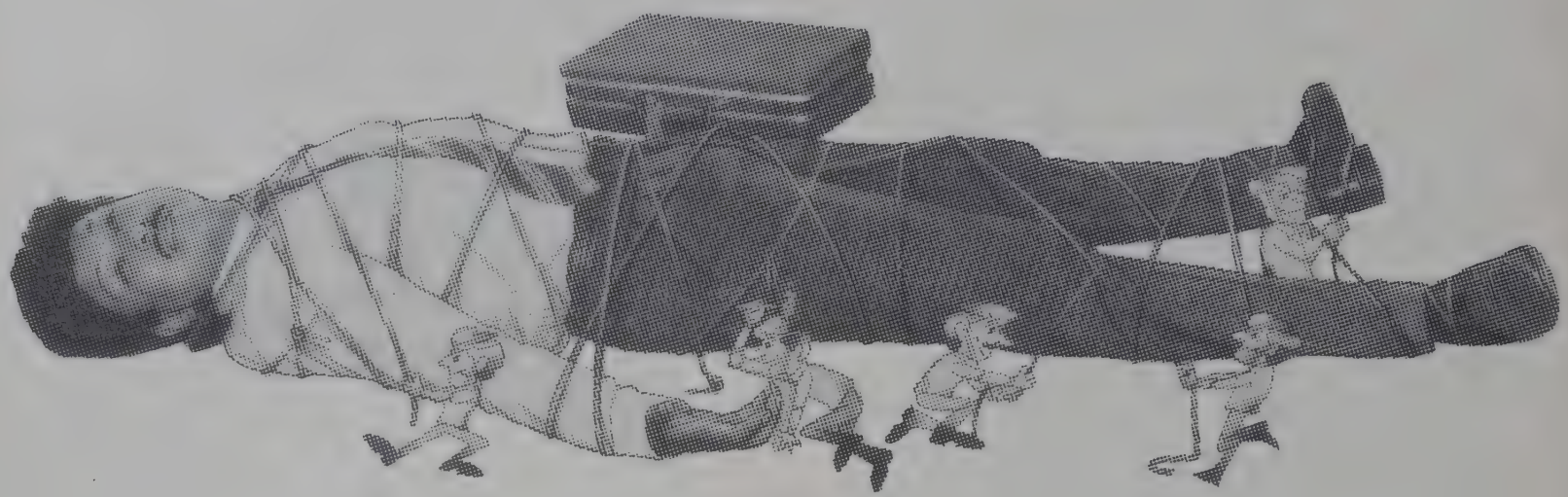
A new era has dawned in India. Technology and innovation are creating bold tomorrows, expanding our already growing hi-tech horizons. Tidewater continues to contribute meaningfully towards fulfilling the aspirations of our nation. With technology, knowledge and human creativity at its heart, endowed with the unique culture and work ethic of the Yule Group and by improving productivity and quality standards, Tidewater has proclaimed and demonstrated its ability to ride the technological crest. Our greatest satisfaction lies in that we are recognisably part of the impetus to change.

In conclusion, may I take this opportunity to sincerely thank our shareholders, Board of Directors, colleagues and all those who have helped Tidewater to grow over the years.



NOTE : This does not purport to be a record of the proceedings of the Annual General Meeting.

Tied Down By Financial Constraints?



Is your Business growth hindered due to inadequate finance?

Be it short term or long term
Be it for working capital requirement or
for purchase of Plant & Machinery
Be it of the order of a few lakhs
or a few crores.

Call on us today and let us process your needs because we understand your urgency.

For details contact:

CHOLAMANDALAM
INVESTMENT & FINANCE COMPANY LIMITED

Associate of **Standard Chartered Bank**

'Tiam House', 28, Rajaji Salai, Madras 600 001. Ph: 512137/512455
111, 'C' Wing, Mittal Towers, Nariman Point, Bombay – 400 021. Phone: 2872473.

Century

LCO'S CARS

echnological triumph

Telco's annual general meeting in nbay on 9 August, shareholders re- ed a pleasant surprise. Displayed at entrance were two spanking new cars a Ferrari-red Tata Sports and a silver Tata Estate. Said Ratan Tata, the irman of Telco at the AGM, "By the of this year, the two new passenger icles will hit our roads."

With these cars, Telco makes its entry o the passenger vehicles market. For first time, a passenger vehicle has en entirely designed in-house in the ntry. Designing a passenger motor car an extremely complicated technologi- exercise. In fact, there are very few tor car companies in the world which ve their own design capabilities. All er passenger vehicles plying the lian roads have borrowed their designs m their foreign collaborators. Says G.K. Rao, director, R&D, "We may not be e General Motors, but in principle we're t far behind them."

vance planning

ile Telco too had a technical tie-up h Daimler Benz for the manufacture of cks, the collaboration ended in 1970. members Rao, "Once the writing on the ll was clear that the Daimler Benz col- oration was ending, we started plan- g ahead." The seeds of the Engineering search Centre (ERC) were sown at nshedpur in 1966 — and Telco's foray o designing machines had begun.

Starting with a direct injection diesel gine for its trucks in the early seventies, lco designed several other parts for cks, fork lifts and earth moving chinery. The biggest challenge, how- er, came from the Japanese light com- rcial vehicles (LCVs) that flooded the lian roads in the mid-seventies. The an- er to the Japanese LCVs was the ERC- signed 4-tonne Tata 407 launched in ruary 1986 and the 6-tonne Tata 607 nched exactly a year later. Despite the ial difficulties, Tata 407s and 607s to- have more than 25 per cent of the market share.

But the dent made in its truck market re made the company sit up and seek er segments of the auto sector to get o. Failing to get the government's per- ssion in 1986-87 to tie up with the nda Motor Company of Japan, for the production of passenger cars, it concentrated on what it knew best — developing different models of diesel commercial vehicles.

After this breakthrough in LCVs, a 2-tonner was the next to follow. Recalls Rao, "Our late chairman, Sumant Moolgaokar, had a dream to see an American type multi-purpose vehicle — a passenger cum load carrier — ply on our roads." The ERC went to work and, in less than two years, brought out the Tatamobile 206.

But Tatamobile 206, launched in July 1988, did not take off as expected. It was around this time that Tata Estate, a luxury, station wagon type vehicle based on the Tatamobile design, was conceptualised. This was followed last year by the idea for Tata Sport. Though the basic technology is similar to their LCVs, it was an entirely new experience for the Telco think tank.



The Tata Sport car: totally Indian design

Leisure vehicles

Aimed at the up-market, as recreational leisure vehicles for urban and semi-urban use, both cars have a powerful and sophisticated engine. The diesel engine specifications: 1.95 litre, 4-cylinder, precombustion chamber diesel with an ouput of 68 horsepower at 4,500 rpm.

That considerable effort has gone into the design is evident from the number of sophisticated tooling and testing machines installed at the ERC shop at Pune. It is estimated that around Rs.35 crore was spent on developing the Tatamobile; the new cars must have cost an additional Rs.15 crore. Though the price of the car is yet to be formally announced, each is expected to cost around Rs.3.5 lakh. Says Rao, "We should have no problem in selling 10,000 Tata Sport and Estates each in the first year." This should add roughly Rs.70 crore to the turnover of the trucking giant.

Who are the potential buyers of these new cars? While Tata Estate seems to be aimed at the top end of the market — a niche now left open by the demise of Standard 2000 — the Tata Sport seems to be competing with the newly launched Mahindra MM 540 and the soon-to-be-launched Maruti 1000. The fuel consumption of these two vehicles is also competitive — an average of 12 kilometres per litre of diesel.

With their judicious balance of toughness and elan, Tata Sport and Estate appear likely to create a market of their own, the hefty price tag notwithstanding. Also, the indigenous design — the import content is less than 1 per cent— gives Telco a definite edge in terms of availability of low-cost spare parts, regularity of service and a wide dealership network. Meanwhile, plans to launch a petrol driven passenger car within three years are already afoot at Telco.

■ SHEKHAR GHOSH

PAKISTAN'S ECONOMY

No change likely

Businessmen dealing with Pakistan need not worry about Benazir Bhutto's fall. Her departure from the government does not make any difference to Pakistan's economic and foreign trade policies, just as her victory 20 months ago made no difference either. Though she always swore by her father's name, she carried on with Zia-ul-Haq's economic agenda. The likely victory of pro-Zia forces in the forthcoming October elections, if on schedule, or rule by the military-bureaucratic clique under president Ghulam Ishaq Khan's leadership only means the continuance of Zia-Benazir policies.

Twenty years ago, when Zulfikar Ali Bhutto came to power in Islamabad, he nationalised all industries, humiliated industrialists and drove Pakistani capital out of the country. The obvious result was dependence on foreign aid and investment, a large public sector and an inefficient economy leading to unemployment and inflation.

Foreign capital further consolidated its hold over the Pakistani economy during the Zia regime through military and civilian aid packages. As for public expenditure, Zia had to retain and expand the nonproductive part of it — the administration, defence and debt servicing — to placate his supporters. But he privatised the productive components of the public sector such as cement, cooking oil, chemicals and engineering goods. Private investment, during his reign, from 1978 to 1988, increased from Rs.4 billion to Rs.16 billion. Finally, in the name of promoting economic efficiency, Zia encouraged exports based on cash crops (accounting for 46 per cent of total exports), and moved in the direction of privatisation.



Benazir: the economic fetters remain

Same policies

The main planks of Benazir Bhutto's policies were the same; nurturing the nonproductive public sector and exports. In fact, Benazir forged ahead in much the same direction as set by Zia. She increased public expenditure by 6 per cent in her first budget and privatised core sectors such as power generation and steel. And, to encourage exports, her trade policy (1989-90) introduced 75 per cent income tax exemption for leather goods and textiles, decanalised cheese, vegetables and *basmati* rice, and abolished sales tax and import duties on certain items. Ghulam Mustafa Jatoi or whoever comes to power in the October elections has no alternative but to follow this policy line.

The limits on any Pakistani government's economic options are set by the country's internal and external debt traps and the resulting dependance on conditions imposed by the International Monetary Fund. Pakistan's external debt is around $16 billion, equivalent to 38 per cent of its GNP, and carries a conservative servicing rate of 30 per cent of exports. While debt has increased, the capaci service it has declined with the expan of current account deficit from $560 i cal year 1983 to $2,030 in fiscal 1 Worsening of the balance of paym problem means a quieter acceptanc IMF terms, which include opening economy to Western traders investors.

Benazir could not escape from clutches of the debt trap, the power o IMF and the obvious reluctance of the itary leadership to cut nonproductive penditure to bring about fiscal balanc the frustration created by her poli erupted in ethnic riots, her dependenc the armed forces grew. And, while trouble, both within Pakistan and out mounted, her family members and leagues allegedly indulge corruption. She had to go.

Never-ending problem

Even though Benazir is the problems she inheri will continue to challenge next administration. Ther no reason to conclude tha will behave any different t Benazir's unless it has courage to cut spending on fence, public administrat and imports. As far as Indi concerned, it means Pakista obsession with Riyadh, Wa ington DC and Dubai will crease, as will its lack interest in its south As neighbours. External affa minister I.K. Gujral says, "T dissolution of the Pakistan sembly and the dismissal Benazir Bhutto has come a surprise, particularly wh she has not lost her majority the general assembly. Expe ence shows that shocks of t nature will put the democra process there under seve strain. We sincerely hope th there is no setback to the de ocratic process in Pakist and the peoples' will prevail

Given the uncertainty, ma ing a breakthrough in the trade deadlo with Pakistan is going to be challengi for India, and particularly for foreign se retary Muchkund Dubey, who enjoys a tr mendous reputation for his expertise international economic relations.

■ SUNDEEP WASLEK



For the potential to weigh as much as 60 tons to the possibility of weighing 0.01 mg, organisations like B.A.R.C. Bajaj, Cadburys, Cipla, Colgate, Dr. Beck, Glaxo, Godrej, L&T, Parle, Reserve Bank, Tata, Tribhuvandas Bhimji Zaveri depend on

ATCO®

THE TRUTH BY WEIGHT

ATCO INDUSTRIES LIMITED

ENGINEERING ■ ELECTRONIC WEIGHING ■ INSTRUMENTATION

HEAD OFFICE: 6A, Lalwani Industrial Estate, 14, G. D. Ambekar Road, Wadala, Bombay-400 031. ✆ 4121982 ☐ 4121290 ☐ 4121299 ☐ 4122256
Telex: 011-73995 ATCO IN ☐ Fax: 022 4140230

BRANCHES : ■ E-1/150 Saidarjung Enclave, Ist Phase, New Delhi - 110 029. ✆ 605789
■ 41, T. Nagar, Ramanathapuram Post, Coimbatore - 641 045.
■ Door No. 41, I Main Road, C.I.T. Nagar, Nandanam, Madras - 600 035. ✆ 459912 ☐ 453986

CREDIT CARDS

FOR SHIRTS,

TIES AND

SHOE - STRING

BUDGETS

ho says credit cards are only for tourists and five-star entertainment. That's not true. At MasterCard, our credit cards re also for the little things in life. We have stores that will welcome your card even if all you want is a







oothbrush. And they won't charge you an extra paisa for it. Think about that. It's the most widely accepted credit card. Welcomed by over 15,000 merchant establishments in India. You have all these







cards to choose from. They are all part of the MasterCard family. And it's not expensive to get one. So if the idea grabs you, get in touch with any of the banks whose cards are shown here. You'll be most welcome.



MasterCard

BANK IN YOUR POCKET

ADVERTISING SPONSORED BY MASTERCARD MEMBER BANKS IN INDIA: ANDHRA BANK, BANK OF AMERICA, BANK OF INDIA, CENTRAL BANK OF INDIA, CITIBANK N.A., HONGKONGBANK, UNITED BANK OF INDIA, VIJAYA BANK, THE VYSYA BANK LTD. AND MASTERCARD INTERNATIONAL INC

LINTAS RC.DEL MAS.3 2740

The Indian Rope Trick. As performed by a 12 month old.



Some years ago, the textile industry in India brought in highly sophisticated, high-speed airjet and projectile weaving looms. This meant the industry needed top quality, zero-defect yarn.

Yarn that's electronically cleared, spliced, knot-less and contamination-free. Yarn that slides through the shuttleless looms, enhancing both productivity and quality of fabric.

Yarn spun on the very finest in machinery including the latest generation Autoconers 238 and Two-for-One Twisters.

Yarn manufactured by Indo Rama. A company that, in its very first year, has won the hearts of all leading fabric manufacturers in the country, and has exported over 50 percent of its production to the fashion capitals of Europe.

And as the top weavers in India and Europe wonder at the Indian Rope Trick, we allow ourselves a small smile.

After all, we have the entire future to look forward to. And many more yarns to spin !

INDO RAMA
SYNTHETICS (I) LTD.

We/have/only/scratched/the/surface

R.K. SWAMY/IRS/5858 R

MBAY BUILDERS

leak times

Bombay, where real estate prices have ditionally soared higher than the city's hest skyscraper, flats are going abeg- g. For the builders and developers who liferated in the last decade, the honey- on is over.

n downtown Bombay, even though perty still continues to fetch fancy ces, the rise in prices has decelerated. ces on posh Peddar Road have risen ely 10 per cent to Rs.3,000 or 3,500 a sq t in the last year. Brokers estimate that m Andheri to Borivili (western sub- s) and from Chembur to Ghatkopar ntral suburbs), prices have risen by y 4 to 5 per cent per annum in the last o years, compared to the annual rise of per cent three years ago. And in the y's extended suburbs, prices have actu- y remained constant. Taking into ac- unt a 10 per cent annual inflation rate, s means that in real terms real estate ces in Bombay have actually gone down the last two years.

At the sprawling Lokhandwala com- x in Andheri, where much of Bombay's w middle class oriented residential artment construction was concen- ted all through the eighties, dozens of ildings have remained entirely unoc- pied for months now. It is estimated at upto 5,000 flats could be lying vacant Bombay for want of buyers.

ution evident

like in the late seventies and early hties, builders cannot now insist that yers book their flats before building ans are submitted. Now, even reputed ilders can sell all the units only after the nstruction is 70 per cent complete. Says vind Pahwa, CEO, Lokhandwala Con- uctions, "A slowdown and caution are dent."

Clearly, real estate in Bombay is no ger a seller's market. There are several sons why this has happened, the most portant being the fact that the supply of vly built flats went up considerably in late eighties. The Urban Land Ceiling of 1976 and the attitude of some Ma- ashtra chief ministers of the past re- ed the supply of land for housing in mbay to a trickle in the late seventies d early eighties. The artificial shortage s created was primarily responsible for loping real estate prices in that period.

Then, in the mid-eighties, some builders discovered construction sites north of the city, but outside the Bombay municipal corporation limits, in areas like Thane, Kalyan and New Bombay. Local government permission was easier to come by here and the land itself was available at a relatively lower cost. So entire self-contained housing complexes were built which offered cheaper flats. Says Niranjan Hiranandani, a well-known builder, "Soon the available flats exceeded effective demand and prices stagnated."

Finance is another reason why prices have fallen. Since banks don't fund real estate, the entire building industry is built on a parallel underground money lending system. Financiers lent out unaccounted black money to builders at interest rates ranging from 24 to 48 per cent a year. As long as there were buyers, the builders were not only able to afford these rates but also keep their margins, which in good times ranged from 50 to 100 per cent. But once they began defaulting on loans because flats remained unsold, the financiers began to pull out, preferring to invest their money more profitably in the booming stockmarkets. And builders were left to make near distress sales to recover their costs.

IT amendment

Another often mentioned reason for the fall in real estate prices has been a major amendment that was made to the Income Tax Act in the late eighties. This made an IT department NOC mandatory for any buying or selling of properties worth more than Rs.10 lakh in the larger cities of the country. The department was empowered to acquire any property that it suspected of being undervalued (the high black money content is never disclosed) for the price mentioned in the official papers. The department has been very strict in enforcing this law and in the last three years has auctioned off hundreds of flats after seizing them. As a result, where traditionally buyers used to pay upto 60 per cent of the cost in black money, now the figure has come down to less than 10 per cent.

Whereas bigger builders think their reputations and reserves can tide them over the crisis, it is the small builders who are hit hardest. Construction costs have increased by about 10 per cent annually and interest charges keep piling up.

Builders are now furiously wooing customers. To keep customers happy, extra amenities is the watchword. Those who can afford it are building complexes with swimming pools, transport services, cable TV and clubs thrown in.

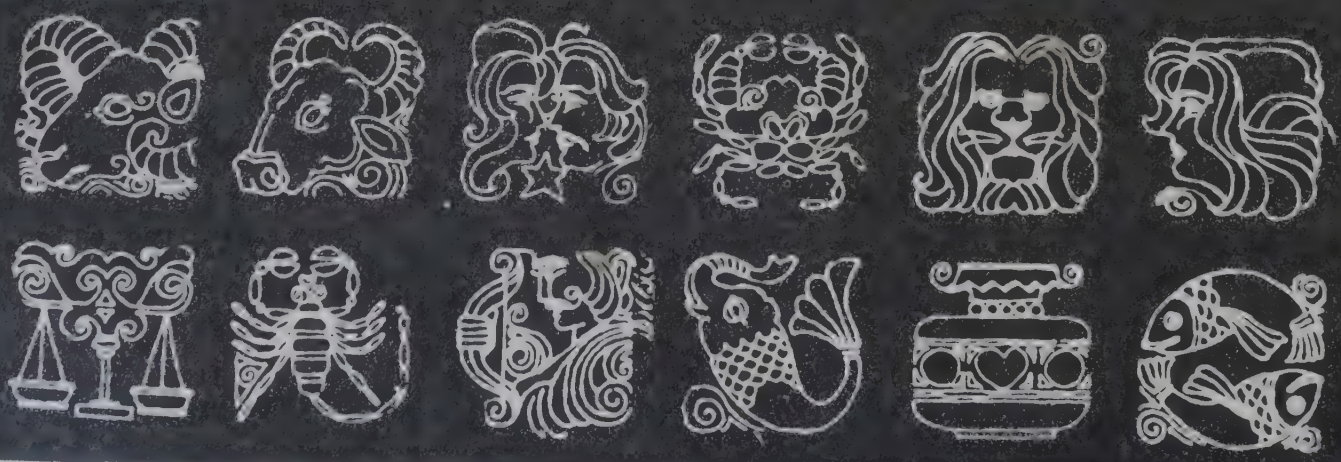
Hiranandani, however, feels that the current slump in demand is actually a "technical" correction which was inevitable. Amit Dholakia, partner in the medium size C.D. Builders actually predicts the slump will be over by 1992 — but this could be wishful thinking. The mood all around is gloomy. And with the Sharad Pawar government planning to ease the supply of land for housing in Bombay further, the situation can only deteriorate further for the building industry here.

■ SUDESHNA SEN with ALTAF DOSSANI



Residential complex in Andheri, Bombay: no takers

BE THE MASTER OF YOUR OWN DESTINY.



CANSTAR

Earn 50% or more return per annum for a lifetime on initial investment after 10 years

Canbank Mutual Fund has, since its inception, built up an excellent track record. The best of professional skills, financial acumen and intimate knowledge of the corporate world combine to bring to you high return, yet safe investment opportunities. Scheme after scheme, launched by us, has succeeded in turning market opportunities into lucrative returns. Look at the total payout of **CANSHARE** alone – **over 100%** in less than 30 months excluding market appreciation (Market price Rs. 22.50 as on 31st July, 1990).

HIGHLIGHTS:

- A well established Mutual Fund with the largest investor base
- Professionally managed with proven track record of success
- Tax benefit under Section 80L of the Income-tax Act, 1961 upto Rs. 10,000/- or Capital Gains* benefit under Income-tax Act
- Easy encashability – to be listed on Bombay and other Stock Exchanges after one year
- Buy back any time after three years
- Easy Transferability

* Separate application forms available.

Minimum Repurchase price for 1000 Canstars:

A. On completion of:

3 Years	–	Rs. 15,150
4 Years	–	Rs. 17,400
5 Years	–	Rs. 20,000
6 Years	–	Rs. 23,000
7 Years	–	Rs. 26,500
8 Years	–	Rs. 30,500
9 Years	–	Rs. 35,000
10 Years	–	Rs. 40,000

B. Option on completion of 10 years
Receive monthly income @ 12.50% p.a. calculated on accumulated amount
and
Receive an annual bonus/appreciation from the 11th year onwards

OFFER OPEN

CANBANK MUTUAL FUND
Orient House, Adi Marzban Path (Mangalore Street), Bombay 400 038
Principal Trustee : CANARA BANK
Always a step ahead

Concept

How to get PCS Data Products Share at just Rs. 30/-

BSE QUOTATION AS ON 30.7.90 Rs. 60/- PER SHARE

PCS ties up with European giant **AEG** of West Germany – A Daimler Benz Group Company.

PCS Data Products Limited (PCS), a leader in large Computer Systems widens its horizon and embarks upon manufacture of Copper Clad Laminates (CCL), an import substitute item with good export potential, at a cost of Rs. 23 crores

CCL is the base material for manufacture of Printed Circuit Boards which in turn are building blocks for any Professional Grade or Consumer/

HIGHLIGHTS

- Amongst leaders in the field of Computer Manufacturing and related activities.
- Net Free Reserves 500.75 lacs as against paid-up Capital of Rs. 152.42 lacs as on 31.3.90.
- Uninterrupted Dividend payment for the last five years and Proposed Dividend 30% for the year ended 31.3.90.
- Technical Collaboration with AEG Isolier Und Kunststoff GmbH of Germany – a Daimler Benz

Industry Standards.

The annual growth for the year ended 31.3.90 has been 91% in terms of Sales Volume and 82% in terms of Profit After Tax, resulting in an **EPS** of Rs. **10.73** per share and **Book Value** of Rs. **42.76** over the previous year.

The Issue Profile:

Present Issue:	34,72,500 14% Secured Partly Convertible Debentures of Rs. 45/- each for Cash at par aggregating to Rs. 15,62,62,500/-
Conversion:	One Equity Share of Rs. 10/- each at a premium of Rs. 20/- per share as on 01.04.91.
Redemption:	Balance of Rs. 15/- to be redeemed at the end of 7 years at par.

Yes, your investment is programmed for growth!

- ❑ No export obligation.
- ❑ Early conversion into one Equity Share at Rs. 30/-.
- ❑ Eligible for Cash Subsidy from SICOM and other Sales Tax & Octroi benefits.
- ❑ Easy Liquidity – listing at Pune, Bombay, Delhi and Ahmedabad Stock Exchanges..

RIGHTS ISSUE OPEN

PUBLIC ISSUE OPENS ON 20TH AUGUST, 1990.

Managers to the Issue

Allahabad Bank, ANZ Grindlays bank p.l.c., BOI Finance Limited, Canbank Financial Services Limited, Deutsche Bank, Indbank Merchant Banking Services Limited, Karnataka Bank Limited, PNB Capital Services Limited, The Bank of Karad Limited, V.B. Desai Financial Services Ltd

Advisors to the Issue
Narandas & Sons

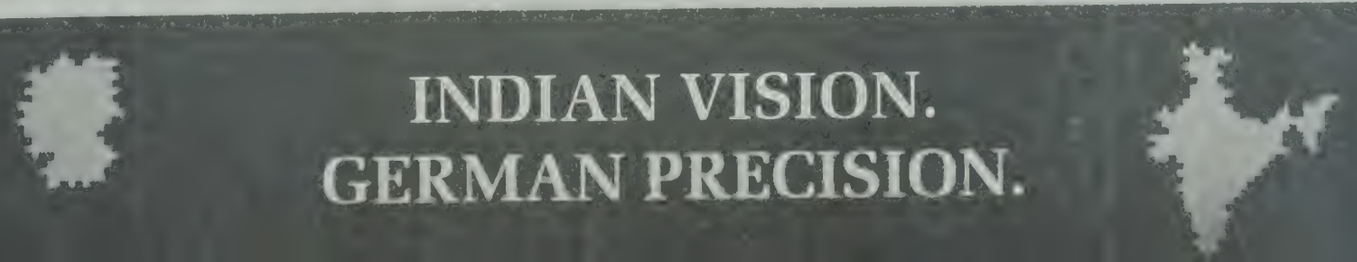
PCS

PCS Data Products Limited

Regd. Office: S-1A, Irani Market Compound, Yerawada, Pune 411 006.
Corporate Office: 303-304, Regent Chambers, Nariman Point, Bombay 400 021.

Performance • Capability • Service

Mercantile 77/90-91



Telco

Excellent performance; sales of spare parts lower; new EOU planned; proposal to raise cash from capital money

Viewed against the backdrop of the disturbed industrial relations at Pune and the severe power shortages at Jamshedpur, the performance of Telco can be said to be excellent. A total of 64,963 vehicles were produced which compares favourably with 61,258 vehicles produced in the previous year.

While sales in terms of volume increased by just 5 per cent, in terms of value, sales increased by 17.5 per cent. The changing consumer preference for light commercial vehicles (LCVs) and the near stagnating demand for the heavy vehicles is apparent from the fact that sales of LCVs accounted for one out of every 5 vehicles sold by Telco.

In spite of being a late entrant, Telco was able to acquire a 25 per cent share in the LCV market. Telco's apparent advantage over its competitor is that it does not have to depend on costly imports whose value is directly linked to the depreciating Indian rupee. The 100 per cent indigenously manufactured vehicle gives the company a tremendous cost advantage.

The increased share in the primary market was not however accompanied by a corresponding increase in the secondary market. The sale of spare parts was affected by lower output from the plants arising out of production dislocations within the Pune plant and other infrastructural constraints. Consequently, the company could sell spare parts worth Rs.82.63 crore only.

On the export front, the sale of 3,529 vehicles fetching Rs.100.86 crore was reasonable. The newly introduced Tata Mobile 206 pick up van received a good response from the consumers. But the company could produce only 602 Tata Mobiles for want of capacity following the labour problems.

To enhance sales in the global market the company proposes to set up a 100 per cent export growth oriented unit in collaboration with Daimler-Benz. Telco also proposes to increase its production capacity. It has already converted the letter of intent issued in 1985 for establishing a manufacturing facility near Lucknow with a capacity for manufacturing 9,000 vehicles into an industrial licence. Production is expected to begin by 1991.

Meanwhile, the company has obtained the knowhow for the manufacture of thin walled automotive aluminium castings from a German firm for the manufacture of a lighter range of vehicles. Telco has also tied up with Hitachi Construction Machinery Co of Japan for the manufacture of a more advanced series of Hydraulic excavators.

To finance capital expenditure needed for modernisation expansion and diversification plans, the company proposes to issue convertible debentures worth Rs.311.02 crore. The recent price hike effected in the wide range of vehicles coupled with the improved labour relations at its Pune plant has increased its profitability prospects in the coming years. This has led to a spurt of over 100 per cent in the share price over the last six months.

At the current rate of Rs.220 the earnings per share are discounted by 22 times.

Telco *(Rs. crore)*

Year ended	31 Mar 1990	31 Mar 1989	% change
Sales	1,905.86	1,638.51	16
Other income	63.24	37.91	67
Total income	1,969.10	1,676.42	17
Raw materials cost	949.58	836.89	13
Salaries & wages	226.71	199.43	14
Interest	73.63	59.07	25
Other expenses	521.98	452.73	15
Gross profit	197.20	128.28	54
Depreciation	48.91	43.15	13
Taxation	45.75	15.10	203
Net profit	102.54	70.03	46
Share capital	103.67	103.67	
Reserves	379.47	308.74	
Borrowings	488.83	323.96	
Net block	484.18	449.95	
Investments	303.48	140.04	
GP/sales (%)	10.30	7.80	
NP/sales (%)	5.40	4.30	
Av. earnings per share	9.90	6.76	

Hoechst India

Improved performance; all divisions doing well; good margins; dividend maintained

Hoechst India, one of the leading pharmaceutical companies in India having interests in agrochemicals, insecticides, dyes pigments and chemicals, has put in a vastly improved performance during the year ended March 1990.

Hoechst India *(Rs. c*

Year ended	12 months ended Mar '90	15 % c months ended Mar '89 a
Sales	256.92	239.37
Other income	29.51	29.61
Total income	286.43	268.98
Raw materials cost	115.72	103.69
Excise	118.97	130.12
Salaries & wages	22.99	24.74
Interest	12.35	8.18
Depreciation	3.47	3.19
Taxation	1.65	0.85
Net profit	9.05	4.51
Share capital	9.58	9.58
Reserves	56.06	50.25
Revaluation	16.11	17.43
Borrowings	78.48	49.78
Net block	80.24	64.09
Investments	4.33	1.24
Dividend (%)	20.00	20.00
GP/sales (%)	5.50	3.60
EPS (Rs.)	94.46	18.84

The combined sales from all the sions reflects an impressive growt over 34 per cent. The pharma div crossed sales of Rs.1 billion for the time. Thanks to a good monsoon, do tic agrochemical sales rose to Rs. crore, which is nearly 39 per cent a sales of the previous period on an a alised basis. The company's veterinar vision also did well with total reaching Rs.10 crore during the year. vocmycin, a modern performance pro ter for poultry received good respons

Further, in spite of the company's sion to discontinue the sale of Col Chem products, the total income dyes and pigments rose to Rs.31.70 c from Rs.29.79 crore earned in the month period. Synthetic resins and persion sales were maintained at Rs. crore against Rs.2.98 crore.

Growth in sales has been fully refle in the phenomenal rise of more than per cent in gross profit. The gross p margins have gone up to 5.5 from 3.6 cent. What needs to be remembered is that the company had paid Rs.3 c towards the earlier year's demands o government into the Drug Price Equa tion account in the previous period months. Without this extraordinary penditure incurred in the previous y the profit during the year would be 53 cent higher.

e high interest charges incurred on wings required for funding the com- 's expansion plans has to a small ex- been neutralised by the level of ased profits. The setting up of new s have also necessitated a higher de- ation charge. Despite this and a fold increase in the taxation ges, net profit has shot up by 151 per on an annualised basis.

is gives an average earnings per e of Rs.95. Notwithstanding this rise, nchanged dividend of 20 per cent has maintained. The net profit in rela- to the net worth works out to 18.3 per as against 10.6 per cent. The return ne total funds deployed in business is er cent up from 4.9 per cent. In other ds on every Rs.100 deployed the com- has been able to generate a post tax rn of Rs.7.10. The cash earnings per e aggregated Rs.130.68.

ne price of Rs.2,800 discounts this by times.

afatlal Fine

e into the red; increased other in- e; reduced rate of interest on term s from financial institutions on ac- nt of higher exports; investing in over- project in Iraq

atlal Fine has gone into the red and ped dividend for the year ended 31 ch 1990. Last year also the company ld have been in the red, but for the it obtained on sale of assets. Despite er income from other sources the set- was on account of higher interest and head expenses and the stiff competi- faced by the chemicals division.

et sales during the year was up, so also r income, which increased on account igher export incentives to Rs.11.85 e (Rs.8.45 crore). Income from tech- l knowhow and consultancy services at Rs.3.03 crore (nil). However, there no profit on sale of undertaking and perty against Rs.4.04 crore in the pre- s year.

xports during the year jumped by it 50 per cent to Rs.51.57 crore 34.62 crore). With export of textiles eding 25 per cent of the total manu- ured textiles, the company is entitled aim an interest rebate of 2 per cent on loans taken from the financial insti- ons after 1 December '86. Sales volume oth was higher by 11.2 per cent to 1 million metres (61.44 million metres). Sales realisation per metre also improved by 9 per cent. But the working of the division was affected by a 15 per cent hike in power tariffs, retrenchment compensation of Rs.1.21 crore and higher employees' cost.

The working of the chemicals division could improve only marginally due to increased competition. The division accounts for 28 per cent of total sales and is engaged in the manufacture of aluminium fluoride, fluorocarbon gases and synthetic cryolite. The sales volume of these products declined by 13 per cent to 13,519 tonnes (15,513 tonnes). However, better sales realisation (by 16 per cent) could marginally improve sales of these products at Rs.53.95 crore (Rs.53.31 crore).

With the new plants going into production, competition for sales of fluorine chemicals and fluorocarbons hotted up. The division's working also suffered due to the write-off of Rs.4.8 crore on account of the aluminium fluoride project in Orissa. Today, the division is expanding its range of products and simultaneously developing its export potential.

As a result of higher costs, operating profits declined by 21 per cent to Rs.15.34 crore (Rs.19.42 crore). Interest costs were higher by 17 per cent, with reduction in borrowings (by Rs.7.13 crore) and the 2 per cent rebate should cut down interest costs in the current year.

The company has entered into an agreement with the Iraqi government for supply of knowhow for the manufacture of chemicals in Iraq. The company has earned Rs.2.48 crore from consultancy services for the project. Of the total project cost of Rs.50 crore, the company will be investing up to 50 per cent.

The scrip currently at Rs.350 seems to have discounted the poor working. During 1990 the rate fluctuated between Rs.360 and Rs.205.

Mafatlal Fine *(Rs crore)*

Year ended	31 Mar '90	31 Mar '89	% change
Net sales	185.18	159.35	16
Other income	20.61	14.86	39
Excise duty	19.15	18.04	6
Raw materials consumed	86.59	76.71	13
Employees' cost	33.96	31.61	7
Other expenses	61.96	51.35	21
Interest	13.34	11.44	16
Depreciation	6.79	6.39	6
Tax		0.26	
Net profit/(loss)	(4.79)	1.33	
Equity capital	14.47	14.47	
Reserves & surplus	18.99	23.77	
Borrowings	67.89	75.02	
Gross block	108.65	102.37	
Dividend (%)		10.00	
Market price (Rs.) Current	350.00		
1990 — High	360.00		
Low	205.00		

Kothari Industrial

Net profit more than doubled; boom in yarn and tea market improves profitability; various diversification plans under consideration; dividend stepped up handsomely

Kothari Industrial, a D.C. Kothari group company, has fared exceedingly well for the nine-month period ended 31 March 1990. The company deals in textiles, fertilisers, tea and coffee. After SPIL took over the loss making caustic soda unit, the company has turned around and re-entered the dividend list last year.

Gross sales declined marginally mainly due to sales of the chemicals division. Last year, sales from this division was Rs.11.94 crore. Other income declined by 29.5 per cent (annualised) to Rs.1.28 crore (Rs.2.42 crore). Last year a management fee of Rs.62 lakh was unhanded under this head.

Operating profits improved by 38 per cent to Rs.9.44 crore (Rs.9.13 crore). As a result, operating margins moved up five points to 16.7 per cent (11.9 per cent). Interest costs declined due to reduced borrowings on sales of the chemicals division. With gross margins higher at 13.4 per cent (7 per cent), gross profit shot up by 87.5 per cent to Rs.7.58 crore (Rs.5.39 crore).

EPS improved from Rs.4.7 to Rs.11.2 (annualised). The company has stepped up dividend from 12.5 to 24 per cent (annualised). Both EPS and dividend are the highest for the last eleven years. Payout ratio was lower by five points to 21 per cent (26 per cent) as more funds were ploughed back for purposes of modernisation and expansion.

The textiles division accounts for more than 50 per cent of total sales, as prices of cotton (the key input) was stable. During the period, yarn sales was marginally lower at 4.14 million kg (5.59 million kg). However, average sales realisation was up by 19.4 to 72.8 per cent (60.98). Despite

Kothari Industrial			(Rs. crore)
Year ended	31 Mar '90*	31 Jun '89	% change**
Net sales	55.16	74.54	1
Other income	1.28	2.42	29
Raw materials & components consumed	25.46	32.25	5
Employees' cost	8.74	11.78	1
Other expenses	12.74	23.70	28
Interest	1.86	3.74	33
Depreciation	0.63	1.54	45
Tax	0.60	0.30	166
Net profit	6.35	3.55	138
Equity capital	7.55	7.55	
Reserves & surplus	49.85	47.23	
Borrowings	13.99	13.62	
Net block	53.95	53.46	
Dividend (%)	18.00	12.50	
Market price (Rs.)			
Current	50.00		
1990 — High	54.00		
Low	32.00		
* 9 months ** annualised basis			

power cuts in Tamil Nadu and Andhra Pradesh, capacity utilisation was maintained between 85 to 95 per cent with the help of DG sets. The company plans to modernise its mills by spending about Rs.9 crore during the next two to three years. More DG sets will also be installed. In the current year, yarn production is estimated to be 6.5 million kg and yarn sales is expected to increase by 25 per cent to Rs.50 crore.

Tea cultivation increased by 9 per cent on an annualised basis to 1.93 million kg (2.36 million kg). However, sales volume declined by 16.6 per cent. This was nullified by a 57 per cent higher sales realisation per kg at Rs.40.3 (Rs.25.72). The working would have been still better but for a fire at its tea estate resulting in a loss of fixed assets worth Rs.23.14 lakh. Profitability of the division is expected to be affected by a 28 per cent increase in the number of employees following a settlement. Lower coffee production and a near 50 per cent fall in international coffee prices (due to a collapse of the export quota system) cut coffee sales by 62 per cent on an annualised basis to Rs.97 lakh (Rs.3.39 crore).

Working of the fertiliser division improved considerably with higher sales volume and better sales realisation. The division's sales at Rs.11.04 crore (Rs.11.17 crore) recorded an increase of 32 per cent. Modernisation and installation of balancing equipments, will increase the capacity of superphosphate to 80,000 tpa and that of sulphuric acid to 40,000 tpa.

The company is also diversifying into distilleries, mining, trading and leather exports. Reflecting the company's bright growth prospects, the scrip gained 40 per cent: from Rs.36 to Rs.50 in six months. With price-earnings ratio of less than five times, the company is poised for further growth.

Indian Aluminium

Excellent results; higher exports; better profit margins; dividend up ten points

Indalco, the second largest aluminium manufacturer in the private sector after Birla's Hindalco, has reported excellent results for the year ended 31 March 1990. Despite an over threefold increase in tax liability, the improvement was on account of higher exports, better sales realisation following decontrol and a higher sales volume of rolled products.

Net sales increased, so also other income, due to higher income from dividend and interest. Exports shot up by 118 per cent (annualised) to Rs.69.48 crore (Rs.39.9 crore) owing to higher alumina prices in the overseas market during 1989 which, however, has declined in early 1990. Sales volume of hydrate and alumina declined by 25.5 per cent to tonnes (1,57,902 tonnes). Average realisation per tonne was substa higher by 157.2 per cent to Rs (Rs.3,609). Exports as a percentage sales was higher at 16.16 per cent per cent).

All these factors have resulted in margins. Operating margins impro 6.5 points to 19.94 per cent (13.4 cent) which pushed operating profit 121 per cent to Rs.109.28 crore (Rs. crore). Gross margins at 17.51 pe (10.22 per cent) was higher by 7.3 p Ratio of tax to pre-tax profit went up 23 per cent (32 per cent). This, hov could not prevent the rise of 4.6 poi net margins to 10.7 per cent (6. cent).

Earnings per share has improved Rs.5.35 (annualised) to Rs.14.1. Divi on an annualised basis has been ste up ten points to 30 per cent. Still the pany managed to plough back abo per cent of its profits, to reduce its bo ings by Rs.13.78 crore. The borrow were to finance additions to the net (Rs.7.67 crore) and the balance su funds were utilised for higher investm (by Rs.29.77 crore).

Sales of rolled aluminium product count for about 40 per cent of total s Its sales improved by 45 per cen Rs.209.91 crore (Rs.181.44 crore) du higher sales volume (by 22 per cent) better sales realisation (by 18 per ce The decline in sales volume, of extru products and aluminium foils, was o by about a 20 per cent higher sales rea tion for both the products.

With Nalco, the public sector gi commencing production, aluminium duction in the country improved by 18 cent. This had no adverse effect on the ing prices.

Power and fuel and excise duty are jor expenditure heads eating away 27 20 per cent respectively of total sales cut down on power costs and to ensur regular supply the company is setting the Hirakud Power Company Limited generate 67.5 mW of power for which n essary government approvals have ready been obtained.

The company will be investing Rs. crore in various projects including power project. It is modernising and panding the Belur sheet rolling plant cost of Rs.40 crore.

Aluminium scrips were in the limeli following decontrol last year. Indalc currently traded around Rs.165 wit

Indian Aluminium			(Rs crore)
Year ended	31 Mar '90	31 Mar '89*	% change†
Net sales	429.90	375.75	43
Other income	11.61	8.51	70
Power and fuel	144.39	123.23	46
Excise duty	106.53	74.38	79
Raw materials consumed	76.89	67.07	43
Employees' cost	46.03	45.76	26
Other expenses	62.57	57.37	36
Interest	13.32	14.88	12
Depreciation	9.83	10.89	13
Tax	27.63	8.25	318
Net profit	58.50	27.73	164
Equity capital	41.50	41.50	
Reserves & surplus	150.05	103.85	
Borrowings	85.10	98.88	
Gross block	89.21	81.54	
Dividend (%)	30.00	25.00	
Market price (Rs.)			
Current	165.00		
1990 — High	176.00		
Low	165.00		
* 15 months † annualised			

In Europe they call it "a revolution in design". In India, "the Florentine collection."

There hasn't been anything like this ever before in India.

Imaginatively designed, superbly crafted bath fittings that blend so beautifully with today's lifestyle.

All in a choice of 3 finishes — the classic Chromium, the elegant White & Gold and the stunning Black & Gold.

Each of them comes to you with the convenience of full flow of water at just a quarter turn of the lever.

And yet for all its beauty and convenience, the Florentine collection is surprisingly inexpensive.

In point of fact, it's Jaquar's well-known quality and workmanship at its finest.

Florentine collection

from : J·A·Q·U·A·R



Jaquar

For a closer look at the entire Florentine collection, visit your nearest Jaquar dealer or contact our Marketing Representative at : Bombay : Ph. : 6321761, Bangalore : Ph. : 321900, Calcutta : Ph. : 449129, Chandigarh : Ph. : 42924, Delhi : Ph. : 7117411, 7215708

JAQUAR & CO. PVT. LTD., C 20, S.M.A. Co-op. Industrial Estate, Delhi 110 033

Crescent 2326

price-earnings (P/E) ratio of twelve times against Hindalco's eight times. With rising profitability, a moderate bonus and/or rights issue can be expected in the current year.

RESULTS ANNOUNCED

VIP Industries

VIP Industries engaged in the moulded luggage business has marginally reduced its carry forward losses reporting a gross profit of Rs.1.11 crore for the 8-month period ended March 1990. On an annualised basis, the company's sales has increased by 26 per cent at Rs.54.10 crore. On the exports front VIP has notched a 60 per cent rise at Rs.92.29 lakh. After providing for depreciation of Rs.1.57 crore (Rs.2.34 crore), the net loss is Rs.47 lakh (Rs.3.37 crore).

The unorganised sector has been a strong competitor for the company. Excise duties at 31.5 per cent and sales tax and octroi of about 20 per cent has put the unorganised sector one up on the industry.

Meanwhile, VIP plans to enlarge the Alfa range introduced last year. It is also planning to increase the Jalgaon plant's capacity, besides diversifying into areas like handling equipment for plastic materials. This could pull the company out of the red in the near future.

Hindustan Tektronix Instruments

Hindustan Tektronix Instruments Ltd, managed by the Sonawala brothers (Hemant and Kamlesh) has announced highly encouraging results for the year ended March 1990.

Turnover during the year amounted to Rs.4.21 crore (Rs.1.98 crore) with income from services rendered totalling Rs.1.04 crore (Rs.16 lakh). The company ha aged to break even and has shown a ating profit of Rs.77 lakh compare operating loss of Rs.21 lakh record year. The bottomline is also in the b Rs.34 lakh against a net loss of Rs.5 during the previous year. As on 1990, the company's carry forward have reduced to Rs.20 lakh, which probability will be wiped out by nex

Meanwhile the company's new galore factory has been complete commercial production should mence shortly. The company's pro for this year also appear good with over during the first quarter tot Rs.1.49 crore against Rs.56 lakh the corresponding three months la — a rise of 164 per cent.

The market potential for the com products is good and has applicati hitech industries like aerospace, de telecommunications, computers an trical equipment.

The share price at Rs.55 reflec high investor confidence probal

THE CHANGING FACE OF PROGRESS



– is especially rapid at Gajra Bevel Gears.
New growth – new thrust – new diversificati

ation of a further improvement in for 1990-91 and in the hope of en dividend from the company.

F

collaboration with Mansfield Tyre ber Co, USA, is engaged in auto- tyre manufacture. The company tched a 15 per cent rise in its turn- n an annualised basis at Rs.571 or the year ended 31 March 1990. e first three months of the current ne company's sales are up by Rs.20 t Rs.148 crore as compared to the ponding period last year. However, ofit has dropped by 28 per cent to crore.

vever, exports have increased by 54 nt at Rs.66 crore. And MRF, for the successive year, has bagged the XIL' award for exports.

nwhile, the government of India pproved the technical collaboration Uniroyal Goodrich Tire Co, USA.

IN BRIEF

English Electric Co is issuing bonus shares in the ratio of 1:1 by capitalising Rs.9 crore of the reserves and surpluses. Besides a dividend of 25 per cent will also be paid.

Straw Products of the JK group has drawn up plans for expansion and diversification involving Rs.450 crore. This involves the setting up of a linear alkyl benzene (LAB) project.

Indian Resort Hotels has declared a dividend of Rs.2.50 per share on its enlarged capital of Rs.1.05 crore.

Sona Steering Systems Ltd, a Maruti joint venture company will be completing its expansion project by October end this year. Its Rs.19 crore axle project, already under implementation, will be completed by the first quarter of 1991.

Rajendra Mechanical Industries Ltd has announced a dividend which has gone up three points to 18 per cent. Turnover has increased to Rs.17.86 from Rs.13.43 crore in the previous year, an increase of 33 per cent.

Perfect Circle has achieved a net sales of Rs.22.11 crore for the year ended March 1990. The company's expansion and modernisation programme included cost effective measures.

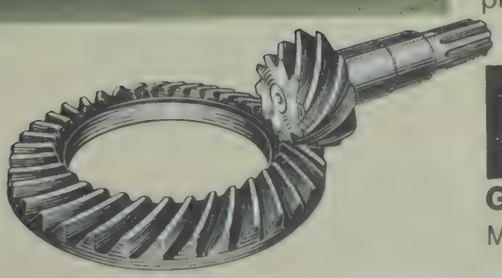
GEC has completed on schedule the projects for manufacture of high vacuum interrupters at Salt Lake and Unipak range of motors with state-of-the-art technology at AEI works.

SM Dyechem has entered into an agreement with KSIIDC to set up a project for the manufacture of 50,000 tpa of carbon black at South Canara, Karnataka. This project will be in the assisted sector.

Asian Can has signed a technical collaboration agreement with M.C. Packaging, Singapore to provide the latest technology in processed food cans and beverage cans.

Parasrampuria Synthetics has declared a 22 per cent dividend including 10 per cent interim already paid for March 1990.





From the steam engines of old to superfast bullet trains today – progress has come a long way. And so too has Gajra 'changed' but far more rapidly. With determination, high technology and an obsession with excellence – Gajra Bevel Gears is today a leader in gears in India. Has earned a reputation in 37 countries abroad too. Now, gearing up for globalisation with a whole new thrust in overseas markets.

Gajra Bevel Gears is committed to the drive towards expansion and globalisation. An ambitious Rs. 12 crore expansion and modernisation programme will widen its horizon – boost capacity from 2500 tpa to 6300 tpa. Yes, Gajra Bevel Gears surges ahead – setting the pace with the changing face of progress.

GAJRA BEVEL

Gajra Bevel Gears Ltd., Dewas
M.P. 455 001

Imageads/GBGL/90252 A



India sings, watches, talks, diagnoses, copies and computes with BPL.

25 YEARS IN PURSUIT OF PERFECTION

It's electronics everywhere. And a lot of it is from BPL.

Entertaining millions with its TVs, VCRs and Two-in-Ones. Saving lives with Electrocardiographs and Intensive Coronary Care Units. Running offices efficiently with Electronic PABXs, Push Button Telephones, Communication Networks, Plain Paper Copiers and Computers ... With a promise of more to come: Cordless Telephones, Rice Cookers, Microwave Ovens, Dish Washers, Vacuum Cleaners, Washing Machines, Refrigerators ...

BPL. Building expertise in electronics to bring you the best things in life.

BPL

IN PURSUIT OF PERFECTION

Computers • Communication • Components • Instrumentation (Industrial, Medical & Measurement) • Office Automation • Consumer Electronics

Rs. 450 crores turnover • 40 products • 1,000,000 square feet of built-up factory space • Over 4000 employees • 4 R&D Centres • 26 Sales & Service Centres • 2500 dealers • Exclusive technical arrangement with Sanyo of Japan

Mudra:Blr:BPL:2

MARKET REVIEW

s remain in rge

e period 30 July to 11 August

tional Index on 11 August = up from 530.87 (+ 1 per cent)
nsitive Index on 11 August = , up from 1033.15 (+ 1.3 per

ily Turnover Average = Rs.112 13 per cent)

glorious showing over the pre-rtnight, stockmarkets around the were allowed to flex their mus-y at the start of the fortnight un-iew. This they duly did, with the nsitive Index crossing 1,100 on 30 ore closing the day at 1098.95, 65 ahead of the previous fortnight's Many scrips recorded nearly in-e jumps. These included Century hich rose from the previous day's f Rs.4,300 to a high of Rs.4,650, at Rs.4,600 and Indian Rayon, ose from the previous closing of 50 to Rs.167.50 before closing at In the cash group, Wartsila rose s.54 to Rs.60 and continued to be through the fortnight on rumours xcellent performance, closing the nt at Rs.85.

spectacular rise in stock prices d the finance ministry mandarins i as well. The ministry, which had to the state of affairs with admi-omnolescence so far, decided that as as far as it could tolerate mat-thout unilaterally doing something t. It immediately threatened to im-strictions if the governing boards arious exchanges failed to do so.

strictions. Thus, after a month of nce, the BSE governing board, ith bulls, was finally induced to im-rict restrictions on trading from The board, however, succeeded in the finance ministry to agree to stiff restrictions for bears as for en though the stated purpose was rol buying activity. All shares in vard list in Bombay were put on a livery basis and a 20 per cent mar-imposed on purchases as well as cash shares.

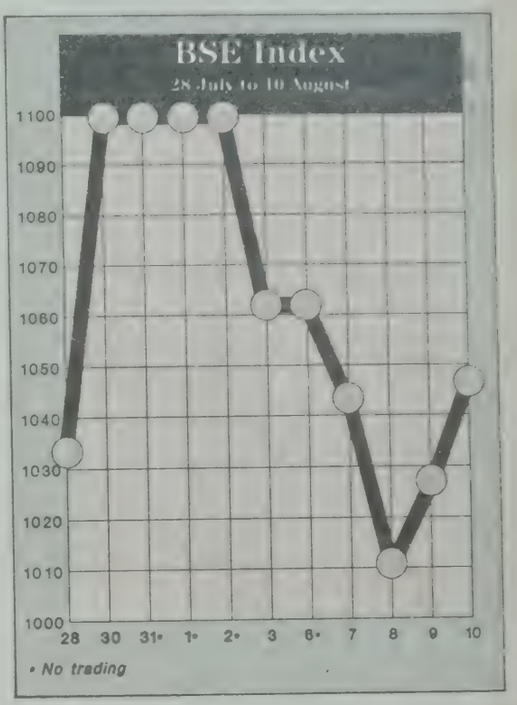
led to protests and three days of However, the restrictions re-, with minor modifications in car-ryover limits, to almost the end of the fortnight when forward trades were re-allowed, but with higher bull margins. With other centres around the country imposing similar restrictions through most of the fortnight and with kerb trades effectively controlled because of the spot delivery rule, the market imploded as turnover fell sharply to Rs.65 crore per day for the rest of the fortnight. Hence, most trades for the fortnight consisted of smaller bull speculators booking profits. Mutual funds, which have been an important factor in the current market boom, stayed away until almost the end of the fortnight, re-entering at Index levels below 1000.

The restrictions caused the market to drift down on marginal volume through the rest of the fortnight. However, given 30 July's spectacular gain, the indices were still up over the fortnight, though the steady fall gave many speculators cause for thought. To that extent, the restrictions played their intended role.

Gulf crisis. Meanwhile, the Iraq-Middle East confrontation appeared to be heading for a no-show by Iraq on the Saudi stage. The US filled the arena instead. In the minds of marketmen, the Middle East seems destined for another long spell of uncertainty. This, notwithstanding the popular view of brokers as mindless sheep, was of deep interest to the market. The general consensus was that this was bad news for both the long and short terms. Add to that a stronger dollar and the direction of India's rupee cost of petroleum and petrochemical products can only be sharply upwards.

The country had entered a severe recession in 1974 after the OPEC oil price hike. This time around, OPEC is divided and the Indian economy more resilient. Still, a slowdown from the high economic growth rate that the market expects is probable.

More optimistically, corporate news continued to be good. August is AGM month for the corporate world and a time to get an indication of how companies view their prospects for 1990. The news suggests a bumper year once again, with corporate profits heading for a third successive year of 30 per cent plus rises. Cotton textiles are likely to have an especially good year since exports are up sharply, rising by over 70 per cent in the first quarter of the financial year.



This would normally be good news for cotton textile giant Century, except that its money-spinning paper manufacturing division is closed because of a strike. The paper division would otherwise have contributed Rs.30 crore to pre-tax profits this year. Its closure is probably viewed with equanimity by other paper producers, whose share prices have been firm (*see table*).

Is the party over? To many smaller bull speculators who were hurriedly clearing out of their holdings at fortnight's end, the firming up of prices towards the end of the fortnight gave them plenty to worry about. To the regulatory authorities upset with the BSE's initial dilly-dallying, the party should rightly have ended a while back if only people had not stayed back just in case it was not the end. Until the restrictions are fully lifted, the impact of the changed economic situation after the Gulf crisis won't be known. Meanwhile, the big bulls are hanging in, buoyed by high speculative profits and low borrowing costs; mutual funds continue to sniff for bargains. An explosive mix indeed.

■ RAFIQ DOSSANI

Paper shares post capital gains

Company	Price on 10 July (Rs.)	Price on 10 Aug (Rs.)	percentage change
Andhra Paper	950.00	1190.00	25.3
Ballarpur	175.00	205.00	17.1
Bhadrachalam	87.50	102.50	17.1
West Coast Paper	377.50	450.00	19.2
BSE Sensitive Index	893.10	1046.30	17.1

Rolta India

Rolta India Ltd (RIL), a company formed by the amalgamation of the four Rolta group companies, has been given the licence to manufacture CAD/CAM (computer-aided design/computer-aided manufacture) interactive graphics in India by Intergraph Corporation, USA.

Rolta India	
Issue opens	: 27 August 1990
Size of issue	: Rs.20.75 crore
To Indian public	: Rs.15.21 crore
Instrument	: Equity shares of Rs.10 each and 14 per cent convertible debentures of Rs.100 each
Promoter	: Kamal K. Singh
Collaborator	: Intergraph Corporation, USA
Project	: To manufacture engineering workstations and network servers
Project cost	: Rs.23.10 crore
Listing	: Bombay, Delhi, Calcutta, Ahmedabad, Bangalore

Earlier, Rolta Computer & Industries (RCI), one of the merged companies, was exclusively distributing these items for Intergraph. Consequent to the merger, RIL carried on all the activities and businesses of RCI. Now, apart from just importing and selling Intergraph systems, the company will also be manufacturing them in India. In fact, RIL is the first company in the world to be given such a licence by Intergraph, although Intergraph operates in 33 other countries.

Intergraph ranks 270 in the Fortune 500 list. It offers CAD/CAM turnkey solutions. The corporation, which started as an engineering consortium group 21 years ago by five ex-employees of IBM, is today, an over Rs.1,500 crore turnover company.

"CAD/CAM systems are used in designing products ranging from a tiny screw to the largest petrochemical plants," explains Kamal K. Singh, chairman and managing director, RIL.

The imported plant and machinery are expected to arrive by November 1990, and commercial production will commence a month later. "For the first year, the company will post a turnover of Rs.32 crore with a profit after tax of Rs.5 crore," says Singh.

After the conversion of the first part of Rs.60 from the Rs.100 convertible debenture, the company's equity capital will stand at Rs.24 crore against a net block of Rs.48 crore. The company expects to pay a 15 per cent dividend in the first year itself.

CAD/CAM systems is the fastest growing segment of the computer industry in India and is projected at Rs.900 crore in the Eighth Five Year Plan.

Steel Strips

Steel Strips Ltd (SSL), the flagship company of the over Rs.125 crore turnover Steel Strips group, started commercial production in 1980 with a cold rolling mill having an installed capacity of 10,000 tpa. The capacity was subsequently enhanced three-fold. Seven years later, the company diversified into steel and set up a mini steel plant (MSP) with a 50,000 tpa installed capacity to manufacture steel billets and ingots. And

Steel Strips	
Issue opens	: 21 August 1990
Size of issue	: Rs.2.85 crore
To Indian public	: Rs.2.08 crore
Instrument	: 14 per cent convertible debentures of Rs.105 each
Promoter	: R.K. Garg
Project	: To set up a hot rolling mill for the manufacture of 20,000 tonnes per annum of light and medium steel structurals
Project cost	: Rs.13.80 crore
Plant location	: Dhaula Kuan (HP)
Listing	: Ludhiana, Delhi, Bombay, Ahmedabad, Calcutta

now SSL is implementing the hot rolling mill (HRM) project, the raw material for which is steel billets and ingots produced by the MSP, thus making the new project a forward integration. Commercial production at HRM has been on since March 1990. The MSP and HRM are on the same site.

The company has already been selling steel structurals, after getting it processed from outside parties on jobbing basis, and hence has to that extent established its market. Also, since it is supplying cold rolled carbon and stainless strips, its marketing network exists.

Among the group's (the other panies are Steel Strips Alloys and Strips & Tubes) future investment p it will be setting up a Rs.190 crore pr for the manufacture of acrylic staple at Sangrur, Punjab. This will be in te cal collaboration with E.I. Dupon Nemours and Company, USA. The g is also setting up a hospital in associ with Apollo Hospitals at a cost of crore, at Chandigarh. The Rs.105 de ture will be converted in two stage one, after six months from the date lotment when Rs.35 will be converted one equity share at a premium of and the second, at the end of 18 mo from the date of allotment, when will be converted into two equity sh at the same premium.

PCS Data Products

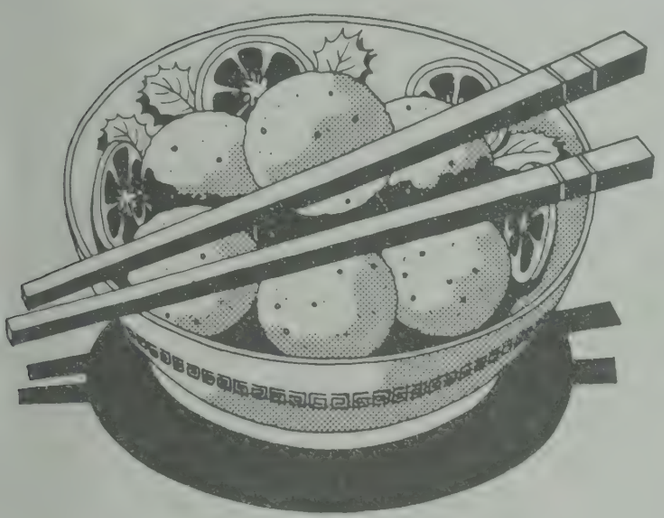
When PCS Data Products, now a dec old, profit-making company engage the computer field, came out with maiden issue in September 1987, it oversubscribed by 70 times. For the

PCS Data Products	
Issue opens	: 20 August 1990
Size of issue	: Rs.15.62 crore
To Indian public	: Rs.10.21 crore
Instrument	: 14 per cent partly convertible debentu of Rs.45 each
Promoter	: Sobhagmal M. Patn
Collaborators	: AEG Isolier Und Kunststoff GmbH (AIK)
Project	: To manufacture 300,000 square met per annum of coppe clad laminates (CC
Project cost	: Rs.23 crore
Plant location	: Town Alandi, Maharashtra
Listing	: Pune, Bombay, Delh Ahmedabad

ended March 1990, the company's tu over was Rs.17.86 crore with a profit a tax of Rs.1.64 crore, accounting for earnings per share of Rs.10.75 and b value of Rs.42.76. It has also paid a d dend of 30 per cent.

As a major step towards diversificat

If you think
you're having Dim Sum
at Holiday Inn, Beijing,
you're thinking
half a world too far.



Holiday Inn, Bombay, offers you
the same international facilities as any
Holiday Inn worldwide.

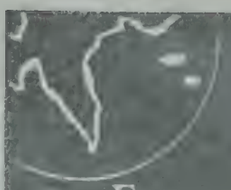
The food at Holiday Inn, Bombay, takes you on a gourmet voyage of the finest Holiday Inns the world over.

We offer fine dining, superior accommodation, conference facilities, inimitable service, and of course, the value for money you've come to expect from any Holiday Inn worldwide...

All the more reasons to choose us first.

Holiday Inn
Bombay
The World's First Choice

information and reservation, please contact: BOMBAY: Holiday Inn, aj Sahani Marg, Juhu Beach, Bombay 400 049. Tel: 6204444/6202398. 011-78411 HOLI IN/011-78404 HINN IN. Fax: (0091-22) 6204452 • NEW DELHI: day Inn, Connaught Plaza. Tel: 3320101. Tlx: 031-61186 HIND IN. 3010211. Tlx: 031-65526 CLAR IN • BANGALORE: Tel: 77676/77931. 845-8668/2354 MACH IN • CALCUTTA: Tel: 412009. Tlx: 021-5421 HMEDABAD: Tel: 448602 • PUNE: Tel: 661752.



Exporting your
products ?
Nude ?!



You could be, unless you're wrapping them in international quality Paper Board.

To enhance your competitive position in the tough global markets, read on....

Associated Business Corporation is the Indian Agent for one of the leading Paper Board company in the world viz. H B Elof Hansson (Sweden). We supply a range of world class Paper/Boards viz:

★ Kraft Paper/Liner and fluting; for corrugated boxes. ★ Insulating Kraft paper; for cables, transformers and conductors. ★ Sack Kraft paper and bags; for fine cement/chemicals. ★ Duplex board or readymade Printed Cartons; for packing soaps, detergents, tea, toothpaste and other retail products. ★ Writing/Printing paper; for supreme quality diaries, envelopes and corporate stationery.

To unload all your Paper Board problems please contact us at:
"Court Chambers", 2nd Floor,
35, New Marine Lines,
Bombay 400 020.
Tel: 293 070 296 012/286 4482
Telex: 11-83185 ABC IN

Associated
Business
Corporation

Wraps — up your global deals.

Wipro is a diversified integrated Corporation in:

*** Consumer Products:**

Wipro Consumer Products manufactures and markets consumer products - cooking fats, bakery shortening, toilet soap, toiletries and leather products

*** Engineering:**

- Wipro Fluid Power develops, manufactures and markets hydraulic systems

*** Professional Electronics:**

- Wipro Information Technology Ltd (subsidiary of Wipro Ltd) develops, manufactures and markets a range of computer systems and solutions
- Wipro Systems Ltd (subsidiary of Wipro Ltd) develops and markets product and project software for export and domestic markets
- Wipro GE Medical Systems Pvt Ltd (a financial joint venture with GE) will manufacture and market medical systems for the health care markets
- Wipro Beckman Pvt Ltd (a financial joint venture with Beckman Instruments International Inc) will manufacture and market analytical and clinical instruments for the life sciences and clinical diagnostic markets.

Each Business Unit is headed by a President/Chief Executive. Corporate direction, advice, synergy and support are in the areas of personnel, finance, diversification/acquisition planning and corporate affairs. The diversity of the Corporation is integrated through shared values and business practices.

Wipro Limited is a listed company, with its equity shares quoted on the Bombay Stock Exchange.

Wipro Consumer Products

Wipro Consumer Products sales at Rs. 1760 million grew by 16% over last year.

In the cooking fats business Sunflower consumer packs recorded impressive gains in market share in an increasingly competitive market. Camel, our brand for the institutional segments, also grew exceedingly well, retaining its leadership position. High operating efficiencies and state-of- the- art technology at our manufacturing units, enabled us to maintain our profitability above industry levels.

Growth in market share in the toilet soap industry was maintained during the year. Santoor, our leading popular soap brand, was restaged during the year achieving a quantum jump in volumes. Wipro Shikakai soap retained its leadership status among the haircare soaps.

Major efficiency improvements were made in our Fatty Acid plant at Amalner. Our new Fatty Acid plant at Tumkur commenced production in June 1990 and is one of the most modern plants in India.

Our distribution infrastructure was further strengthened during the year with significant expansion in coverage and deeper penetration into smaller towns and rural feeder markets. Our quality of distribution service is today seen to be among the best in the consumer products industry and has built a base for successful new product introductions in future.

Our Leather Products Division operations have stabilised. In 1990-91, we expect significant growth and profits.

Our philosophy in the consumer products business has been to provide high quality, value-for-money products through a close understanding of consumer needs and to support this with efficient manufacturing, distribution and aggressive promotion. We believe that this philosophy will help us to achieve continuing success in future with major new products planned.

Wipro Fluid Power

We have made significant progress in key areas in the year. Sales have grown by 21% and we have achieved our profit target for the year. We have significantly improved working capital management and asset utilisation. We will be commercialising our tipping systems in 1990-91. In the emerging segment of hydraulic equipments we continue to be #1 supplier of hydraulic cylinders. Our closing order book underwrites good growth and profitability in 1990-91.

Wipro Information Technology Limited

Wipro Infotech sales at Rs 1141 million grew by 31% over last year. The information technology solutions we offer are based on a product line that is as competitive as it is comprehensive. Our hardware range covers personal computers, minis and superminis, engineering workstations, minisuper computers, OLTP mainframes and dot matrix printers.

We continue to invest in R&D which is the keystone of our success. Our R&D specialists have developed and designed innovative computer products which have enabled us to be on the leading edge of technology. The Landmark 4860 and S-6833 Mini computer systems introduced this year based on totally indigenous design, offer significantly superior price performance ratios. The LM 4860 was the Industry 'landmark' of the year. The Genius range of top-of-the-line personal computers which were also introduced this year, helped us to protect profit margins in the intensively competitive PC market.

The Systems Engineering Division continued to contribute to various projects of national importance by designing and developing customer specific systems for applications requiring a combined expertise in the areas of computers, communication and control.

R&D strengths were supplemented by strategic alliances with leading world companies. We manufacture dot matrix printers under licence from Seiko Epson Corporation, engineering workstations under licence from Sun Microsystems, Inc. and represent Tandem Computers International Inc for OLTP mainframes and Convex Computer Corporation for minisuper computers.

The leadership position which we had achieved in the past years in respect of mini computers, micro computers and dot matrix printers was retained. In our first full year of manufacturing workstations, we became a leading player in the market and are planning major growth in this segment by offering a wide range of solutions for the design, manufacturing and several specialised market segments. We are confident of achieving leadership in minisuper computers and OLTP mainframes in the near future.

The International Operations Division achieved strategic breakthroughs into new export markets through which we expect strong growth in 1990-91.

The Wipro PC continues to be the only PC to be awarded the Department of Electronics certificate of quality. This year, we also received the National R&D award for Electronics Industry and became the only computer company to have received this award. We are also the only computer company to have received the National Productivity Council Award. Independent computer journals have also confirmed our standing in the Industry by rating us as the best on various indicators including professional management and trust.

Wipro Systems Limited

The major reorganisation of the business which we implemented last year has shown very positive results. We are now focussed on key areas of our strengths and are profitable. We have developed respected expertise in systems and communications software. We are planning ambitiously for the future - major investment on computer development platforms, channelled efforts for new product development, plans for active s of turnkey software contracts both in India and a and the phased expansion of development manp

We have released additionally enhanced versio Instaplan, a project planning, monitoring presentation computer package, in the US eve it is getting excellent rating and market response have successfully built up a domestic market for As Tate products.

Wipro Beckman Pvt Ltd

We had a successful year in establishing high stan of service and application support to Beckman anal instrument customers in India. We have signe agreement with Beckman for the diagnostic instrun and reagents.Wipro Beckman Pvt Limited has steps to implement the letter of intent for manufa of analytical instruments. Business operations o financial joint venture are in Delhi with manufact facilities being established in Gurgaon, Haryan

Wipro GE Medical Systems Pvt Ltd

We have established a financial joint venture General Electric of USA for the manufacture, sale service of diagnostic and imaging products. The venture has also an OEM sourcing arrangement Elpro International Ltd for locally made X-ray prod GE Medical Systems is world leader in medical sys and part of General Electric, a Rs. 850,000 m US Corporation.

In April the joint venture has taken over the inst base of GE and Elpro medical products. Applica have been made to the government for va approvals. The business office and manufacturin be based at Bangalore.

This venture is a strategic tie up for Wipro with which is a very successful corporation in several technology businesses.

Research, Development and Training

Continued leadership in business can be sustained through investment in and training of employees. We i significant resources in ongoing empl training: both on the job and through spe programs. Our R&D expenditure during year was Rs. 52 million. Our R&D cei are recognised by Department of Sci and Technology, Government of Ind

Outlook

Our priority continues to be effi effectiveness. We are determined to m Wipro more competitive and more focu in the businesses we are in. We will co growth in costs and further delegate dec making. As we grow larger, we are comm to retain the sensitivity, the leanness, simplicity and the speed of a sm company.

We continue to invest for the future. core businesses are fundamentally str they can grow not only in absolute te but in market share as well. Our five- goals remain:

- * Be industry leaders in all our pro businesses - excel in value, custo service, technology and quality.
- * Achieve sales growth and pr significantly above industry aver
- * Develop exports to be a net foreign exchange ea
- * Be the most efficient and effective in everyt we do - manufacturing, selling, servicing administering.

We can and will achieve these goals through our finar strength, our technology base, and most important people. Our people have exceptional skills, sinc to their jobs and commitment to the enduring va and beliefs that have made Wipro successful.

Azim Hasham Pr
July 9, 1

Note: 1989-90 results are subject to approval shareholders at the Annual General Meetin be held on August 10, 1990

Consolidated Financial Highlights

Corporation financial highlights for the year ended March 31, 1990 are:

(Rs. millions)

	1989-90				Corporation	
	Wipro Ltd	Wipro Information Technology Ltd	Wipro Systems Ltd	**Corporation**	1988-89*	1979-80
Sales and other income	1,870	1,141	31	**3,033**	2,485	432
Profit after tax	46	39	2	**87**	60	7
Shareholders' funds				**346**	283	30
Return on average shareholders' funds (%)				**28**	23	24

*annualised

Over the last ten years, sales have grown at an average annual rate of 22% and net worth at 28% entirely through retained earnings.

of backward integration, PCS
o manufacture copper clad lami-
CCLs). CCL is a base material for
nufacture of printed circuit boards
) which are used in various elec-
equipment to provide electrical in-
nections as well as structural
t for the different electronic com-
ts that form a complete working
nic circuit.
s are of two varieties — glass ep-
d paper phenolic. While glass ep-
s more durable, it is used in
sive electronic hardware like com-
, telecommunications and aero-
equipments, paper phenolic is used
nsumer and entertainment elec-
s. Under the current import policy,
are placed under restrictive items
, for PCS, it will be an import sub-
e item. So far, the large gap between
nd and indigenous supply is covered
orts at a high premium. As the de-
for CCLs is directly linked with the
nd for PCBs, the company's survey
tes the demand to be 2.7 million
e metres by 1993.
company's collaborator is one of
rgest industrial groups in Europe
imler Benz of Germany. The agree-
between the two provides for inflow
nology and its improvements for a
l of over five years for a fee of DM
00. PCS has started construction of
ctory and expects commercial pro-
on by March 1991.

thur Shoes

ur Shoes Ltd (SSL) is a new com-
being promoted by a leather tech-
ist, with specialisation in industrial
, L. Lakshmanan.
L plans to implement the project in
ages of 300,000 pairs each in two
ate factories. While the first phase
ommenced commercial production
1990, the second is expected to go
eam by end-1990. The company's
cost at Rs.2.05 crore is the amount
spent on imported plant and
nery alone. This will be supplied by
Shoe Machinery, UK and PFAFF,
ermany.
a has been an exporter of shoe up-
nly. SSL plans to break this trend
xports of finished products — a full
of executive, casual and industrial
shoes. Units abroad have cut down production due to pollution and increased labour problems, whereas in India labour is still cheap.

The company has already entered into an agreement with CISCO Security Aids, a Malaysian firm for sale of 25 per cent of the production. Tie-ups with European and American firms to distribute SSL's shoes in the respective regions are also underway. The company expects to achieve 50 per cent capacity utilisation in the very first year. It also has an export obligation of 75 per cent of the capacity licensed. If fulfilled, it would uplift the company's financial performance as export earnings will be totally exempt from tax.

Senthur Shoes		
Issue opens	:	27 August 1990
Size of issue	:	Rs.1.80 crore
To Indian public	:	Rs.1.35 crore
Instrument	:	Equity shares of Rs.10 each of which Rs.5 payable on application and balance due on allotment
Promoter	:	L. Lakshmanan
Project	:	To manufacture 600,000 pairs per annum of full leather shoes
Project cost	:	Rs.4.30 crore
Plant location	:	Pillayarkuppam, Tamil Nadu
Listing	:	Madras, Bombay

Varinder Agro Chemicals

Varinder Agro Chemicals (VAC) started as a new company in 1985 to manufacture 66,000 tpa of single super phosphate (SSP) and 33,000 tpa of sulphuric acid, and from the first year onwards started generating cash profits. On a turnover of Rs.9.52 crore for the year ended 30 June 1986, gross profit before depreciation was Rs.1.01 crore. This upward trend continued at a steady pace till 1988 when the company showed a profit after tax (which was nil) of Rs.1.03 crore.

In the first six months ended 30 June 1990, the company has notched a turnover of Rs.18.26 crore, with a net profit of Rs.2.22 crore accounting for an earning per share of Rs.11.56. VAC is embarking on a diversification plan into the manufacturing of pulp and paper used for writing and printing.

The project is well located as the main raw material VAC proposed to use is agro-waste like wheat and rice straw, bagasse and cotton linters. This, besides being in abundance in the agriculturally dominant state, reduces the company's dependence on traditional forest-based raw materials, imported pulp or waste paper. Also, since the paper plant is adjacent to VAC's other plants, the steam generated by the sulphuric acid plant can be used cost free, thus resulting in substantial cost savings. Commercial production of the paper project is expected to begin by the first quarter of 1992.

The Rs.300 debentures will be split into two equal parts of Rs.150 each to be converted at the expiry of six and 12 months from the date of allotment. Both will be converted into five equity shares at a premium of Rs.20 per share. Thus, after final conversions, the company's equity capital will be over Rs.12 crore. "We are hopeful of maintaining VAC's EPS at Rs.11-12 per share," says Rajinder Gupta, managing director, VAC.

Varinder Agro Chemicals		
Issue opens	:	3 September 1990
Size of issue	:	Rs.13.59 crore
To Indian public	:	Rs.4.59 crore
Instrument	:	14 per cent convertible debentures of Rs.300 each, of which Rs.150 payable on application
Promoter	:	Rajinder Gupta
Project	:	To set up a 19,800 tpa paper and pulp project
Project Cost	:	Rs.33.75 crore
Plant location	:	Sangrur, Punjab
Listing	:	Ahmedabad, Bangalore, Bombay, Delhi, Calcutta, Ludhiana

Over the previous year, prices of printing and writing paper have zoomed by 30-40 per cent and paper units have had a boom period and the returns to the investors in such units have multiplied. However, the industry is cyclical about the success of VAC. Much depends on how long the various phases will last.

SSP is another cyclic product the company has a strong foothold on.

Company / Face value	Year Ended	Equity Rs Cr	Re-serves Rs Cr	Book value Rs	Price 10.8.90	52 weeks High	52 weeks Low	EPS in Re Year	EPS in Re Half-yr	PE Times	Divi-dend %	Yield %	Bonus Year	Bonus Ratio
A.P.SCOOTERS,10	07/87	9.94	-13.25	-3.33	5.00	6.00	2.00	-4.8			11.0	22.0		
ACC,100	03/90	56.95	90.70	262 11	1080.00	1090.00	241.00	31.7	15.6	34.4	15.0	1.4	86	1:5
AHM ELECTRIC,100	03/89	19.81	67 58	441 14	350.00	380.00	210.00	27.7	11.8	12.6	16.0	4.6	87	1:5
ALFA LAVAL,10	03/89	7.82	21.57	37.58	145.00	170.00	70.00	8.0	4.1	18.1	25.0	1.7	89	1:2
AMAL RASAYAN,10	03/90	3.19	11.36	45.61	47.50	88.75	42.00	0.2		237.5		3.8		
AMB SARABHAI,10	03/90	22.20	-1.10	9.50	14.00	22.25	14.00	0.3		46.7			82	1:5
AMFORGE,10	03/90	5.33	11.32	31.24	83.25	115.00	75.00	11.3	5.0	7.4	25.0	3.0		-
ANDHRA CEMENT,10	03/89	18.78	-2.70	8.56	14.50	18.00	7.75	-15.4				11.8	87	1:2
ANDHRA VALLEY,100	03/89	10.51	49.73	573.17	750.00	850.00	310.00	126.5	108.4	5.9	18.0	2.4	75	1:9
ANDREW YULE,10	03/87	9.41	22.81	34.24	57.00	77.50	43.00	2.2		25.9	10.0	1.8	87	2:5
ANNAPURNA FOILS,10	03/89	9.05	0.00	10.00	12.00	15.00	6.50	-2.9	-3.2					
APOLLO HOSP,10	06/88	5.22	1.33	12.55	13.00	16.00	11.00	3.2	1.2	4.1	15.0	11.5		
APOLLO TYRES,10	10/89	8.40	14.19	26.89	68.00	136.50	41.50	18.3		3.7	25.0	3.7		
APPLE IND.,10	03/89	5.19	0.81	11.56	37.00	42.00	16.25	3.1	3.1	11.9	35.0	9.5		
ASEA BROWN,10	03/89	5.28	8.25	25.62	122.00	140.00	47.50	5.9	3.5	20.7	21.0	1.7		
ASHOK LEYLAND,10	03/90	31.72	100.64	41.73	100.00	110.00	63.75	5.8	3.6	17.2	31.5	3.1	78	1:2
ASIAN CABLES,10	03/89	5.59	7.32	23.09	34.00	47.50	28.00	5.8	2.4	5.9	12.0	3.5	81	1:3
ASIAN HOTELS,10	03/90	15.05	12.21	18.11	63.00	64.00	52.00	7.4	4.3	8.5	25.0	4.0		
ASIAN PAINTS,10	03/90	12.44	56.50	55.42	260.00	266.25	190.00	15.3	9.1	17.0	45.0	1.7	87	1:2
ASSAM CO.10	03/89	14.00	26.02	28.59	125.00	147.50	75.00	8.4	7.2	14.9	40.0	3.2	89	1:1
ASSAM FRONTIER,10	03/90	3.00	10.53	45.10	245.00	247.50	162.50	29.0	9.0	8.4	50.0	2.0		
ASTRA IDL,10	03/89	2.50	2.97	21.88	45.00	72.00	40.00	4.9	2.5	9.2	10.0	2.2		
ATLAS COPCO,10	03/89	7.26	7.95	20.95	44.00	51.00	33.00	0.8	-1.9	55.0	10.0	2.3	87	1:2
ATLAS CYCLE,10	03/89	1.15	13.93	131.13	90.00	105.00	70.00	12.8	2.4	7.0	15.0	1.7	87	1:2
AVERY INDIA,10	03/89	4.20	9.34	32.24	120.00	130.50	106.00	7.7		15.6	35.0	2.9	84	2:5
BAJAJ AUTO,10	03/90	18.81	261.22	148.87	560.00	572.50	301.25	34.6	19.5	16.2	110.0	2.0	87	1:1
BAJAJ PLASTIC,10	03/89	1.50	4.94	42.93	48.75	55.00	23.00	-10.9	-3.4				86	1:1
BAJAJ TEMPO,10	03/90	6.60	42.10	73.79	166.25	185.00	117.50	11.5	8.4	14.5	20.0	1.2	86	1:1
BAKELITE HYLAM,10	03/90	4.50	20.04	54.53	46.25	59.00	31.00	3.0		15.4	18.0	3.9	80	2:3
BALLARPUR,10	03/89	20.97	27.11	22.93	200.00	200.00	115.00	7.4	7.8	27.0	18.0	0.9	89	1:2
BARODA RAYON,100	03/90	17.97	51.55	386.87	1100.00	1145.00	547.50	132.5		8.3	25.0	2.3	90	1:2
BASF,10	03/90	4.26	16.88	49.62	185.00	210.00	115.00	12.7		14.6	20.0	1.1	90	1:2
BATA INDIA,10	12/89	10.50	17.18	26.36	77.00	82.00	60.00	5.4		14.3	15.0	1.9	87	1:1
BATLIBOI,10	03/89	2.79	3.93	24.09	42.50	44.00	16.00	5.4		7.9	15.0	3.5		
BAYER INDIA,100	03/90	16.22	17.65	208.82	835.00	880.00	710.00	32.8	9.4	25.5	20.0	2.4	87	1:1
BEST & CROM,10	03/89	7.10	17.80	35.07	50.00	58.75	26.50	1.6	-0.9	31.2	10.0	2.0	82	3:5
BHADRA PAPER,10	03/90	10.57	28.95	37.39	102.50	123.75	73.75	4.3	1.1	23.8	32.5	3.2		
BHARAT FORGE,10	03/90	14.24	20.80	24.61	123.75	125.00	72.50	4.1		30.2	30.0	2.4	88	1:1
BHARAT GEARS,10	01/89	4.03	5.50	23.65	46.00	51.00	21.00	-2.4	0.1			6.2		
BIHAR ALLOY,10	03/90	6.20	-10.01	-2.21	24.00	51.50	22.00	-2.1		13.1				
BIMETAL,10	03/90	3.82	12.13	41.75	120.00	125.00	75.00	7.5	4.8	16.0	27.5	2.3	89	1:1
BINDAL AGRO,10	12/88	14.85	8.50	15.72	45.00	125.00	37.50	5.1	4.6	8.8	50.0	11.1		
BIRLA JUTE,10	03/90	20.37	84.17	51.32	132.00	132.00	45.50	2.3		57.4	18.0	1.4	86	1:1
BIRLA YAMAHA,10	02/89	8.00	0.17	10.21	15.00	17.00	7.50	-4.8	-3.4					
BLOW PLAST,10	07/89	2.00	3.73	28.65	70.00	72.50	30.00	1.6		43.8	15.0	2.1	87	1:1
BLUE STAR,10	03/90	3.55	15.61	53.97	122.50	160.00	65.00	13.3	1.4	9.2	20.0	1.6	86	3:5
BOM BURMAH,100	03/90	5.52	19.47	452.72	925.00	925.00	430.00	88.2	38.9	10.5	30.0	3.2	78	1:4
BOM DYEING,10	03/90	11.24	88.18	88.45	256.00	268.00	119.00	19.6	8.9	13.1	40.0	1.6	90	1:1
BOM SUBURBAN,10	03/90	8.60	78.22	128.52	59.00	60.00	31.00	18.2	11.2	3.2	20.0	3.4	89	1:1
BOOTS,10	03/89	8.10	9.33	21.52	105.00	136.50	95.00	5.5	2.8	19.1	22.0	2.1	87	1:1
BOROSIL GLASS,10	03/90	2.24	8.71	48.88	52.50	74.00	52.50	5.9		8.9	25.0	4.8	82	1:2
BRITANNIA,10	03/90	18.57	33.30	27 93	127.50	140.00	70.70	5.3	2.7	24.1	24.0	1.9	89	1:2
BROOKE BOND,10	12/89	44.15	39.77	19.01	127.50	137.50	78.00	6.2		20.6	30.0	2.4	89	4:5
BURROUGHS,10	02/89	6.00	15.82	36.37	75.00	100.00	67.50	6.0	1.4	12.5	45.0	6.0	89	1:1
C.E.S.C.,10	03/90	16.94	86.30	60.94	59.00	59.00	30.25	7.9	2.9	7.5	20.0	3.4		
C.P.TOOLS,100	03/89	4.57	9.61	310.26	360.00	420.00	260.00	15.2	-5.6	23.7	15.0	4.2	77	1:3
CABLE CORP.10	03/90	9.00	26.23	39.14	87.50	90.00	61.00	11.0	3.4	8.0	28.0	3.2		
CADBURY,10	03/90	8.40	14.40	27.14	170.00	185.00	104.00	6.3	2.0	27.0	35.0	2.1	87	1:1
CALICO MILLS,125	06/89	13.56	-5.69	72.55	86.00	83.00	40.00	2.3		29.6			77	1:7
CARRIER AIRCON,10	03/89	10.42	-3.50	6.84	23.00	25.00	18.00	-2.8	-0.9					
CEAT TYRES,10	06/89	14.76	104.60	80.87	110.00	165.00	80.00	15.2	6.3	7.2	30.0	2.7	86	1:2
CEMINDIA,10	03/90	1.28	8.57	76.95	92.00	121.75	79 00	7.0	2.8	13.1	30.0	3.3	84	3:5
CENTURY ENKA,100	03/90	16.61	226.21	1461.89	4350.00	4600.00	2720.00	198.7		22.1	62.5	1.4	88	2:5
CENTURY SPIN,100	03/90	26.62	248.83	1034.75	3800.00	3975.00	1980.00	203.0		18.7	50.0	1.3	86	2:3
CHAMPAGNE,10	03/89	3.00	-1.46	5.13	18.00	20.00	13.00	-3.2						
CHLORIDE,10	03/90	20.65	16.51	18.00	100.00	105.00	80.25	8.7	4.2	14.9	31.5	3.1	86	3:5
CIFCO FINANCE,10	03/89	4.78	0.40	10.84	12.00	12.50	7.50	2.1	0.9	5.7	11.0	9.2		
CITURGIA,10	03/90	3.38	8.34	34.67	97.50	112.50	92.50	8.8		11.1	35.0	3.6		
COLGATE,10	12/89	31.44	25.32	18.05	270.00	283.75	153.12	8.0		33.8	42.5	1.6	89	1:1
COLOUR CHEM,100	03/90	7.94	13.96	275.82	700.00	750.00	450.00	30.0		23.3	22.0	3.1	80	2:5
COMET STEEL,10	03/90	9.65	4.49	14.65	19.00	25.00	17.75	4.1		4.6	17.0	8.9		
COROM FERT,10	09/89	24.32	24.79	20.19	62.50	62.50	21.00	-2.9	1.5			2.6	86	1:2
COSMO FILMS,10	03/89	2.39	7.45	41.17	33.00	42.00	24.00	-8.5	-2.6		18.0	5.5		
CROMPT GREA,100	03/90	19.20	74.09	485.89	1050.00	1100.00	630.00	80.9		13.0	18.0	1.7	89	1:1
CYANAMID,10	03/89	5.25	10.26	29.54	97.50	120.00	75.00	4.2	3.1	23.2	20.0	2.1		
DCM TOYOTA,10	03/90	15.00	-12.96	1.36	35.00	39.00	11.00	4.3	3.2	8.1				

Company / Face value	Year Ended	Equity Rs Cr	Re-serves Rs Cr	Book value Rs	Price 10.8.90	52 weeks High	52 weeks Low	EPS in Re Year	EPS in Re Half-yr	PE Times	Divi-dend %	Yield %
DCM,10	03/89	23.02	28.19	22.25	77.50	77.50	45.00	2.1	-2.2	36.9		
DEEPAK FERT,10	03/89	36.68	11.32	13.09	30.00	35.00	26.50	1.9	1.5	15.8	18.0	6.0
DEEPAK NITR,10	03/90	2.43	9.23	47.98	100.00	112.50	63.00	14.3		7.0	30.0	3.0
DEMPO STEAM,100	06/85	2.00	-9.63	-391.50	5.00	6.50	5.00					
DHARAMSI,10	03/90	6.24	15.76	35.26	70.00	75.00	32.50	10.0		7.0	25.0	3.6
DR.REDDYS,10	03/90	2.08	1.36	16.54	82.50	70.00	48.00	3.1	1.8	20.2	25.0	4.0
DUNCAN AGRO,100	03/89	3.05	16.23	697.70	980.00	980.00	183.43	28.9	82.6	33.2	15.0	1.6
DUNLOP,10	03/90	18.99	68.77	46.21	70.00	80.00	53.00	2.3		30.4	30.0	4.3
E. MERCK,10	12/89	5.94	6.65	21.20	77.50	90.00	26.00	5.2		14.9	25.0	3.2
E.I.HOTELS,10	03/90	23.84	47.57	29.95	57.50	66.00	55.50	4.5	0.5	12.8	22.0	3.8
EICHER MOTORS,10	03/90	9.98	-6.04	3.95	37.00	39.00	9.50	3.5	3.4	10.6		10.0
EID PARRY,10	06/89	8.28	8.69	20.65	97.50	100.00	56.50	7.3		13.4	25.0	2.6
ELECON ENG,10	03/90	5.65	27.25	58.23	67.50	85.00	56.00	1.8		37.5	12.0	1.8
ENFIELD,10	03/89	5.04	9.15	28.15	19.50	20.00	10.50	-10.4				
ENGLISH ELECT,10	03/90	9.00	18.88	30.98	111.00	111.00	47.50	3.3		33.6	25.0	2.3
ESCORTS,10	03/90	33.90	127.32	47.56	110.00	118.75	68.00	6.6	3.2	16.7	30.0	2.7
ESKAYEF,10	03/90	7.50	26.57	45.43	145.00	165.00	111.25	10.4	4.5	13.9	30.0	2.1
ESSAR SHIPPING,10	06/89	46.14	44.05	19.55	42.00	46.50	20.00	2.9	4.6	14.5	30.0	7.1
EXCEL,10	03/90	4.62	18.89	50.89	230.00	244.00	122.00	20.0		11.5	50.0	2.2
FAG PRECISION,100	03/90	3.36	8.71	359.23	93.25	100.00	48.00	13.8	6.3	6.8	18.0	19.3
FERRO ALLOYS,10	03/90	8.42	36.76	536.58	66.25	132.50	62.50	15.9		4.2	25.0	37.7
FGP,10	03/90	4.89	7.34	25.01	53.75	62.00	46.00	5.3	2.2	10.1	22.0	4.1
FICOM ORGANIC,10	03/90	1.29	7.53	68.37	150.00	202.50	137.50	16.7	7.2	9.0	45.0	3.0
FINOLEX,10	03/90	3.24	38.26	128.15	265.00	332.50	202.50	28.1	15.6	9.4	50.0	1.9
FIRST LEASING,10	11/89	6.30	10.05	25.95	34.00	47.00	16.00	4.8		7.1	26.0	7.6
FLAKT INDIA,10	12/88	4.76	4.08	18.57	75.00	80.00	29.50	4.0	3.2	18.8	20.0	2.7
FORBES FORBES,10	03/90	4.25	21.83	61.36	82.50	71.25	46.25	5.0	2.0	12.5	20.0	3.2
FULFORD,10	03/90	0.80	3.54	54.25	440.00	465.00	230.00	14.4		30.6	22.0	0.5
G.E.SHIPPING,10	03/90	64.85	55.28	18.52	47.00	52.50	39.50	8.7	3.3	7.0	12.0	2.6
G.K.W.,10	03/90	24.06	41.04	27.06	36.00	37.00	16.00	6.0	0.5	6.0	15.0	4.2
G.T.C.INDUST,10	03/89	5.00	13.24	36.48	38.00	45.00	19.00	5.3	2.6	7.2	24.0	6.3
GABRIEL,10	03/90	2.64	5.63	31.33	60.00	67.50	42.50	6.6		9.1	18.0	3.0
GAMMON INDIA,10	03/89	2.16	13.46	72.31	130.00	135.00	80.00	5.8	4.2	22.4	18.0	1.4
GARDEN SILK,10	06/89	16.24	84.67	62.14	52.50	60.00	37.50	3.6	1.4	14.6	30.0	5.7
GARWARE NYLON,10	12/88	9.72	14.92	25.35	53.00	66.00	44.00	2.7	2.0	19.6	20.0	3.8
GARWARE POLY,10	09/89	10.94	21.96	30.07	39.00	70.50	29.50	-6.4				4.1
GARWARE SHIP,10	03/89	3.75	0.03	10.08	18.50	27.50	17.00	5.9	1.6	3.1	15.0	8.1
GEN ELECTRIC,10	03/90	7.20	30.60	52.50	37.00	42.50	31.25	3.8		9.7	10.0	2.7
GENELEC,10	03/89	2.16	-4.39	-10.32	22.00	38.00	19.00	-47.1			14.7	6.7
GEORGE WILL,10	03/90	9.45	23.82	35.21	150.00	166.75	93.38	5.2		28.8	60.0	4.0
GERMAN REME,10	03/90	3.26	8.87	37.21	235.00	235.00	85.00	13.3		17.7	20.0	0.9
GLAXO,10	03/90	20.00	49.88	34.94	100.00	122.50	87.50	7.7	5.0	13.0	27.0	2.7
GODFREY PHILIPS,10	03/90	2.60	3.80	24.62	95.00	100.00	33.75	11.0	6.9	8.6	35.0	3.7
GOETZE,10	03/90	6.93	16.53	33.85	95.00	95.00	75.00	6.7	3.4	14.2	32.0	3.4
GOKAK PATEL,10	03/90	6.52	25.96	49.82	141.25	155.00	67.50	13.7	8.1	10.3	32.0	2.3
GOOD NEROLAC,10	03/89	3.24	5.06	25.68	100.00	100.00	47.50	2.5	1.8	40.0	22.0	2.2
GOODYEAR,10	12/89	14.96	24.47	26.36	50.00	53.75	40.00	6.5		7.7	40.0	8.0
GRAMOPHONE,10	03/89	4.37	11.43	36.16	17.10	17.10	8.50	-14.0				
GRASIM,10	03/90	60.20	168.10	37.92	170.00	180.00	101.00	9.2	4.8	18.5	30.0	1.8
GREAVE COTTON,100	03/90	9.86	30.96	41.40	65.00	75.00	60.00	6.6	2.1	9.8	18.0	2.8
GUJ ALKALIES,10	03/90	17.90	29.78	26.64	90.00	96.50	69.00	4.2	3.1	21.4	26.0	2.9
GUJ AMB CEM.10	06/90	19.99	15.18	17.59	79.00	81.50	14.50	7.3	4.8	10.8	25.0	3.2
GUJ NARMADA,10	03/89	88.39	103.47	21.63	39.00	47.00	30.50	3.4	1.6	11.5	10.0	2.6
GUJ STATE FERT,10	03/90	44.41	335.70	85.59	231.25	250.00	157.50	11.6	6.2	19.9	30.0	1.3
HARRISON,10	06/89	9.10	17.64	29.38	135.00	135.00	77 00	3.5	5.6	38.6	35.0	2.6
HERDILLIA CHEM,10	03/90	7.35	46.79	73.66	90.00	99.50	82.50	10.0	4.3	9.0	26.0	2.9
HERO HONDA,10	03/90	15.98	-2.76	8.27	36.00	39.00	16.00	-0.3	2.0			
HIND ALLOY,10	03/90	7.13	5.03	17.05	63.75	76.25	51.25	9.4	4.1	6.8	30.0	4.7
HIND CIBA,100	03/90	17.71	40.07	326.26	1600.00	1725.00	800.00	92.7	39.5	17.3	30.0	1.9
HIND DEVELOP,10	03/89	29.74	92.56	41.12	85.00	135.00	72.00	3.2	2.4	26.6	25.0	2.9
HIND DORR-OLIVER,10	03/90	4.76	10.67	32.42	72.50	105.00	62.50	7 3		9.9	25.0	3.4
HIND FERODO,10	03/89	5.50	1.89	13.44	27.00	28.00	16.00	1.4		19.3	5.0	1.9
HIND LEVER,10	12/89	93.32	135.20	24.49	132.50	142.50	94.00	5.8		22.8	35.0	2.6
HIND MOTOR,10	03/90	26.35	44.92	27.05	47.50	54.50	21.00	0.8		59.4	7.5	1.6
HINDALCO,10	03/90	17.85	200.47	122.31	330.00	352.50	210.00	36.1	16.5	9.1	37.5	1.1
HMM,10	03/90	14.18	93.90	76.22	330.00	342.50	117.50	12.4	5.3	26.6	40.0	1.2
HOECHST,100	03/89	9.58	27.94	391.65	2700.00	2875.00	750.00	37.7	52.3	71.6	20.0	0.7
HOGANAS,10	03/90	1.15	0.29	12.52	85.00	110.00	51.00	4.0	1.4	21.2	15.0	1.8
HOTEL LEELA,10	03/90	18.57	-2.20	8.82	17.00	18.00	13.00	0.1	0.5	170.0		
HOUSING DEV FIN,100	03/89	19.98	84.98	425.23	450.00	475.00	275.00	96.8	46.4	4.6	14.0	3 1
HYD.ALLWYN,10	12/88	17.45	10.70	16.13	8.00	16.50	8.00	1.4	1.2	5.7	15.0	18.8
I.O.L.,10	03/90	14.80	31.44	31.53	48.00	49.00	33.50	0.2		240.0	10.0	2 1
ICI,10	03/89	40.87	84.19	30.80	43.50	60.00	35.00	1.2	-3.9	36.2	22.5	5.2
ICIM,10	03/90	5.86	9.13	25.53	32.50	40.00	35.00	3.9		8.3		
INDIA CEMENT.10	03/90	4.90	48.96	109.96	90.00	90.00	15.00	5.9	7.0	15.3	15.0	1.7
INDIA GYPSUM,10	03/89	9.00	-2.47	7.26	12.00	16.00	9.00	-2.7	-1.3			

Company Face value	Year Ended	Equity Rs Cr	Re-serves Rs Cr	Book value Rs	Price 10.8.90	52 weeks High	52 weeks Low	EPS in Rs Year	EPS in Rs Half-yr	PE Times	Divi-dend %	Yield %	Bonus Year	Bonus Ratio
ES.10	03/90	29.75	-2.73	9.08	11.00	11.00	4.50	-0.9	-2.3					
IP.10	03/89	10.15	-65.15	-54.19	12.00	18.25	11.25	4.2	2.1	2.9			75	1:1
	03/90	41.50	49.09	21.83	164.00	172.50	120.00	14.1	7.0	11.6	25.0	1.5	77	2:5
FF.100	03/90	9.41	38.71	511.37	430.00	560.00	165.00	44.4		9.7	14.0	3.3	80	1:1
0	03/90	14.79	51.27	44.67	85.00	94.00	82.50	7.8		10.9	25.0	2.9	89	1:2
C.10	03/90	18.40	26.38	24.34	68.00	70.00	38.50	4.6		14.8	15.0	2.2	85	1:2
10	06/89	25.40	190.83	85.13	151.00	160.00	77.00	3.9	3.8	38.7	26.0	1.9	80	1:4
SS.10	03/90	3.86	2.36	16.11	106.25	119.99	85.71	4.7		22.6	25.0	2.4	89	3:4
T.10	03/89	164.81	0.00	10.00	24.00	25.50	13.00	-0.7	-0.2					
	03/90	6.16	29.12	57.27	252.50	291.25	172.50	9.8		25.8	27.0	1.1	90	3:5
0	03/89	14.00	1.21	10.86	12.50	16.00	11.25	0.7	0.5	17.9	15.0	12.0		
	03/90	15.78	34.25	31.70	280.00	280.00	192.50	9.1	5.3	30.8	25.0	0.9	89	1:1
.10	03/89	3.50	7.20	30.57	55.00	90.00	52.50	4.6	0.7	12.0	13.0	2.4	88	4:5
	03/89	12.00	-15.79	-3.16	22.00	34.00	16.50	-4.4	1.4					
	03/90	86.34	152.27	32.95	109.00	109.00	51.00	7.9		13.8	37.5	3.4	89	1:1
10	03/90	3.00	6.02	30.07	82.50	87.50	27.00	12.7	8.3	6.5	21.0	2.5		
S.10	06/89	14.04	15.51	21.05	75.00	112.50	49.00	13.4		5.6	25.0	3.3	67	1:1
.10	03/89	38.51	129.12	43.53	66.00	83.00	51.00	4.8	1.2	13.8	22.0	3.3	83	1:3
IN.10	06/89	3.87	5.11	23.20	28.75	45.00	26.00	8.0		3.6	25.0	8.7	87	2:5
KES.10	03/89	3.90	-4.84	-2.41	52.50	52.50	29.00	3.0	2.1	17.5				
L.10	03/90	2.36	11.41	58.35	625.00	625.00	220.00	19.7	7.2	31.7	75.0	1.2	90	1:1
0	06/89	3.55	25.48	81.77	96.25	115.00	74.38	18.2	9.7	5.3	24.0	2.5	89	1:1
	03/90	11.46	53.78	56.93	82.50	82.50	40.00	2.3		35.9	10.0	1.2	79	1:2
10	12/88	9.00	8.88	19.87	30.00	51.25	25.00	4.7	2.8	6.4	20.0	6.7		
.10	03/90	2.88	22.29	87.40	182.50	185.00	125.00	12.3	6.5	14.8	25.0	1.4	89	1:1
A.10	03/89	9.99	3.34	13.34	61.25	71.00	26.00	1.4	0.7	43.8				
S.10	03/89	26.40	41.95	25.89	90.00	102.50	64.00	2.7	2.0	33.3	11.2	1.2	86	1:1
TIC.10	03/89	3.85	11.28	39.30	45.00	72.50	40.00	10.8	1.2	4.2	22.5	5.0		
IL.10	03/90	5.75	13.16	32.89	41.00	46.00	29.00	5.2		7.9	16.0	3.9	76	3:7
ND.10	03/90	4.50	12.31	37.36	252.50	252.50	122.50	13.1		19.3	24.0	1.0	90	1:1
0	03/90	8.70	12.25	24.08	215.00	230.00	180.00	7.3	4.6	29.5	20.0	0.9	89	1:1
	03/90	3.15	9.67	40.70	170.00	170.00	72.50	5.6	4.8	30.4	28.0	1.6	89	1:2
RO.10	03/90	68.09	321.18	57.17	101.00	111.00	59.00	6.3	3.2	16.0	25.0	2.5	86	3:5
	12/89	15.75	22.14	24.06	85.00	109.00	65.00	6.6		12.9	22.0	2.6		
10	03/90	5.07	4.92	19.70	56.25	127.50	53.75	7.2		7.8	25.0	4.4	89	1:2
	03/89	21.42	9.07	14.23	29.00	29.62	16.50	0.3	0.6	96.7			80	4:5
GOR.10	06/86	2.74	41.38	161.02	104.00	106.00	56.00	2.3		45.2	7.0	0.7		
ENT.100	03/90	3.02	18.65	717.55	2050.00	2100.00	400.00	22.5	73.8	91.1				
TS.10	03/89	21.96	92.32	52.04	150.00	150.00	97.00	6.9	2.4	21.7	25.0	1.7	86	1:2
NE.100	03/90	14.48	18.90	230.52	365.00	400.00	200.00	-33.1	6.6	47.1		3.1	80	1:3
D.100	03/90	13.45	51.38	482.01	625.00	700.00	221.25	22.7	19.1	27.5	22.0	3.5	78	1:5
IN.10	03/90	19.26	113.23	68.79	97.50	103.00	72.50	8.3		11.7	25.0	2.6	84	2:3
SSAN	03/89	16.70	0.15	10.09	18.00	20.00	8.00	-2.2	-2.5					
GINE.10	03/90	11.50	26.98	33.46	60.00	87.50	55.00	4.1		14.6	20.0	3.3	88	1:2
EM.10	03/90	7.11	11.04	25.53	47.50	50.00	20.00	1.1	1.0	43.2	22.5	4.7		
CHEM.10	03/89	19.97	0.17	10.09	20.00	24.50	16.00	-16.3	-9.8			4.3		
RE.10	06/89	225.00	280.60	22.47	25.00	27.75	15.50	8.3		3.0	18.0	7.2		
TT.10	03/90	23.04	9.15	13.97	34.00	60.00	31.00	1.8		18.9	22.0	6.5	87	3:5
	03/90	2.79	6.17	32.11	70.00	79.00	67.50	5.5	2.0	12.7	30.0	4.3		
ST.10	11/89	4.32	2.64	16.11	9.00	12.50	7.50	-0.7				14.1		
0	03/89	7.68	25.89	43.71	82.50	92.50	71.00	14.7	4.8	5.6	20.0	2.4	86	1:1
SEL.10	03/90	6.25	22.38	45.81	97.50	115.00	68.75	13.9		7.0	60.0	6.2	89	3:5
0	03/89	14.68	-12.54	1.46	8.75	9.50	6.50	-12.6	-4.4				67	1:2
10	03/90	1.28	2.08	26.25	95.00	130.00	82.50	4.4	1.4	21.6	20.0	2.1	89	1:1
	03/89	1.14	4.49	49.39	175.00	312.50	130.00	13.4	-25.1	13.1	30.0	1.7	87	1:1
RIES.10	03/89	3.30	23.65	81.67	22.00	30.00	17.00	-52.6	-1.6			3.2	69	1:5
R.10	03/89	10.38	52.50	60.58	75.00	91.00	47.00	14.2	-2.8	5.3	25.0	3.3	84	2:5
10	03/89	19.46	6.50	13.34	67.00	72.00	54.00	2.4	0.5	27.9	11.0	1.6		
ST.100	12/89	38.05	67.85	278.32	930.00	1100.00	580.00	38.4	19.4	24.2	14.0	1.5	86	1:1
	03/90	3.86	55.04	152.59	300.00	355.00	185.00	32.4	19.2	9.3	60.0	2.0	75	1:2
.10	03/90	14.74	92.60	72.82	151.00	158.00	126.50	11.4	6.2	13.2	30.0	2.0	88	1:2
ENT.10	06/87	18.22	22.61	22.41	32.00	32.00	11.00	1.1	1.2	29.1	17.5	5.5	85	2:5
CE.10	03/89	2.44	3.76	25.41	15.00	24.00	12.50	5.4	3.2	2.8	35.0	23.3		
IDE.100	03/89	2.30	9.02	492.17	850.00	1175.00	675.00	-48.6	-17.8		6.0	0.7		
DIO.100	03/90	6.98	3.75	153.72	650.00	700.00	180.00	14.0		46.4				
	12/89	36.62	5.70	11.56	132.50	142.50	89.29	3.9		34.0	30.0	2.3	89	3:5
	03/89	15.76	-23.74	-5.06	17.75	20.50	8.50	-22.0	-9.1				82	1:2
	03/90	36.00	109.85	405.14	1480.00	1600.00	960.00	117.3	55.5	12.6	40.0*	2.7	86	1:2
NT.10	03/89	5.40	31.50	68.33	60.00	60.00	32.00	14.3	0.5		20.0	3.3	87	1:1
	03/90	66.29	51.65	17.79	24.75	29.25	13.50	0.2		123.8		17.5		
10	06/89	96.72	81.67	18.44	38.00	90.00	32.00	2.8	2.1	13.6	50.0	13.2	87	3:5
AE.10	12/88	18.00	0.00	10.00	22.00	48.00	21.50	0.3		73.3				
RS.10	03/90	5.37	20.34	47.88	200.00	260.00	175.00	7.5	3.5	26.7	25.0	1.2	85	1:1
10	03/90	7.53	4.08	15.42	110.00	133.25	68.00	3.7		29.7	35.0	3.2	90	3:5
	03/90	33.32	40.09	22.03	60.00	60.00	18.50	2.0		30.0	10.0	1.7	82	1:5
	03/90	11.72	16.91	24.43	92.50	107.50	58.00	2.3		40.2	20.0	2.2	77	4:5
POLYCHEM.10	03/90	6.00	17.30	38.83	105.00	112.50	57.00	11.5	6.8	9.1	25.0	2.4	80	1:2
POLYOLEFINS.100	03/90	19.30	56.49	392.69	1125.00	1485.00	1050.00	94.0	49.2	12.0	35.0	3.1	88	1:2
PONDS.10	12/89	6.68	18.78	38.11	182.50	188.75	104.22	9.1		20.1	37.5	2.1	90	1:2
PREMIER AUTO.10	06/89	22.75	112.26	59.35	70.00	79.00	54.50	6.4	1.8	10.9	45.0	6.4	56	1:1
PROCTER & GAM.10	06/89	6.68	11.68	27.49	260.00	266.06	182.50	9.4	5.3	27.7	30.0	1.2	86	4:5
PSI DATA.10	03/89	6.50	-5.27	1.89	15.50	17.00	11.00	13.1				11.0		
RALLIS.10	03/89	9.52	33.44	45.13	90.00	110.00	65.00	8.7	3.1	10.3	25.0	2.8	77	3:1
RANBAXY.10	03/90	8.95	16.22	28.12	95.00	105.00	81.25	8.4	5.0	11.3	27.5	2.9	86	2:5
RAYMONDS.10	03/90	22.47	80.46	45.81	90.00	95.00	55.00	8.1	2.0	11.1	20.0	2.2	87	1:1
RECKITT COLMAN.10	12/89	8.40	22.44	36.71	235.00	248.75	172.50	9.5	4.8	24.7	40.0	1.7	88	1:1
REGENCY CERAMIC.10	03/89	5.61	0.25	10.45	16.00	22.50	14.00	0.9	0.7	17.8				
RELIANCE PETRO	03/89	86.47	0.48	10.06	27.50	33.00	20.50	0.6		45.8	18.0	6.5		
RELIANCE.10	03/90	152.11	958.12	72.99	111.50	125.50	51.50	5.9		18.9	30.0	2.7	83	3:5
REMINGTON.10	03/90	2.67	4.34	26.25	40.00	75.00	35.00	3.3	1.8	12.1	20.0	5.0	86	1:2
REVATHI C.P.10	03/90	1.80	4.29	36.81	95.00	100.00	67.00	5.8		16.4	20.0	2.1	87	1:1
RHONE-POULENC.10	03/90	4.50	14.22	41.60	100.00	100.00	63.75	9.8		10.2	15.0	1.5		
ROCHE PRODUCTS.10	12/88	4.81	6.23	22.95	80.00	89.00	27.00	3.3	1.9	18.2	15.0	2.5	80	1:3
ROSS MURARKA.10	12/88	4.64	3.29	17.09	17.00	24.00	13.50	3.1	1.5	5.5	18.0	10.6		
S.I.VISCOSE.100	03/90	11.03	38.51	449.14	1850.00	1850.00	750.00	202.0	120.6	9.2	45.0	2.4	87	1:2
SAMTEL INDIA.10	03/90	3.57	8.07	32.61	37.50	70.00	23.50	-8.4	-2.7	3.5		7.6	88	1:3
SANDOZ.10	12/89	5.30	24.68	56.57	140.00	177.50	101.00	11.2		12.5	18.0	1.3	90	1:2
SANDVIK ASIA.100	12/89	5.78	7.54	230.45	725.00	800.00	610.00	43.9		16.5	25.0	3.4	84	1:1
SCINDIA.20	06/88	18.95	-40.86	-23.12	9.50	16.00	7.00	-23.6					77	2:5
SEARLE.10	03/90	7.82	10.93	23.98	127.50	147.50	102.50	5.3		24.1	20.0	1.6	88	1:2
SESA GOA.10	03/90	5.15	12.25	33.79	110.00	116.00	42.00	6.7	9.5	16.4	18.0	1.6	86	2:5
SHAW WALLACE.10	03/90	12.00	37.90	41.58	99.00	118.00	69.00	12.7	6.4	7.8	42.5	4.3	87	1:1
SHRIRAM FIBRES.10	09/89	10.33	22.69	31.97	55.00	77.50	42.50	4.2		13.1	18.0	3.3	82	1:2
SIEMENS.10	03/90	20.77	61.17	39.45	125.00	134.00	67.50	4.4		28.4	30.0	2.4	86	1:4
SILTAP CHEMICAL.10	03/89	1.80	-0.76	5.78	87.50	90.00	42.50	-8.5	-3.4					
SIPTA COATED.10	03/90	17.59	12.40	17.05	17.50	30.00	14.00	1.4		12.5	15.0	8.6		
SKF BEARINGS.100	03/90	24.70	52.45	312.35	1775.00	1875.00	1190.00	84.0		21.1	15.0	0.8	89	1:1
SOUTHERN PETRO.10	03/90	34.00	292.60	96.06	65.00	75.00	43.50	6.8	5.5	9.6	16.0	2.5	86	1:1
SPARTEK.10	03/89	4.56	5.91	22.96	60.00	81.25	60.00	6.2	3.8	9.7	25.0	4.2	89	3:5
SPECIAL STEEL.10	03/90	11.39	14.36	22.61	150.00	170.00	91.25	10.4	5.2	14.4	25.0	1.7	89	1:2
STANDARD IND.10	03/90	11.06	36.78	43.25	78.00	87.50	33.00	1.2	1.7	65.0	20.0	2.6	82	2:5
STANDARD MOTOR.10	03/88	4.37	3.98	19.11	13.00	14.00	8.00	-18.1				15.8	85	1:1
STRAW PRODUCTS.10	03/90	10.14	77.87	86.79	117.50	128.00	74.00	7.2	4.5	16.3	30.0	2.6	72	1:2
SU-RAJ DIAMOND.10	03/90	7.66	9.72	22.69	46.00	79.00	46.00	14.2	9.4	3.2	25.0	5.4		
SUND CLAYTON.10	05/89	9.48	23.99	35.31	42.50	73.00	42.00	4.9	1.1	8.7	25.0	5.9	87	2:3
SUND FASTENERS.10	03/90	5.10	13.30	36.08	97.50	97.50	69.00	9.3	4.6	10.5	27.5	2.8	88	3:5
SUND FINANCE.10	03/90	6.00	23.62	49.37	98.00	103.00	60.00	15.3		6.4	30.0	3.1	90	1:1
SUPREME INDUST.10	06/89	2.27	13.47	69.34	300.00	310.00	190.00	14.4	9.7	20.8	45.0	1.5	87	1:1
SWAD POLYTEX.10	03/90	3.90	11.77	40.18	48.00	50.00	30.50	4.6	1.3	10.4	17.5	3.6		
SYNTH & CHEM.10	03/90	11.42	9.75	18.54	50.00	80.00	50.00	4.3	0.9	11.6	25.0	5.0		
TATA CHEMICALS.10	03/90	49.17	234.98	57.79	150.00	161.00	115.50	8.3	3.3	18.1	30.0	2.0	89	1:2
TATA LOCO.10	03/90	103.67	378.70	46.53	197.50	207.00	99.12	9.9	9.0	19.9	30.0	1.5	82	2:5
TATA OIL.25	03/90	8.11	25.19	102.65	225.00	225.00	66.25	16.5		13.6	20.0	2.2	90	1:5
TATA POWER.100	03/90	21.22	76.04	458.34	1025.00	1045.00	332.50	56.9	60.8	18.0	20.0	2.0	75	1:5
TATA PRESS.10	03/90	1.57	5.62	45.80	62.50	72.50	50.00	-3.6		10.9	10.0	1.6		
TATA STEEL.10	03/90	229.43	1103.11	58.08	148.50	164.00	103.25	6.5	2.9	22.8	30.0	2.0	86	2:5
TATA TEA.10	03/90	17.10	109.99	74.32	297.50	297.50	156.00	24.3	12.1	12.2	80.0	2.0	88	3:5
TATA UNISYS.10	03/90	4.38	8.76	30.00	145.00	160.00	67.50	11.8		12.3	30.0	2.1	87	2:5
TEXMACO.10	03/90	1.87	11.06	69.14	62.00	64.00	33.00	-67.0						
TINPLATE.10	03/90	10.14	12.16	21.99	42.50	42.50	27.50	2.5		17.0	15.0	3.5		
TUBE INVESTMENT.10	03/90	6.71	26.62	52.65	70.00	73.75	61.00	6.7	3.1	10.4	24.0	3.4	86	1:3
TUTICO ALKALIES.10	03/89	12.94	-2.63	7.97	15.00	19.00	12.00	0.9	-0.8	16.7		44.4		
TVS SUZUKI.10	03/89	23.10	-5.50	7.62	20.00	20.00	11.00	1.3		15.4				
TWENT CENT.10	03/90	8.88	12.44	24.01	31.00	37.50	21.00	4.5		6.9	22.0	7.1	88	2:5
U.B.LTD.10	06/88	4.00	9.53	33.82	70.00	76.25	37.00	7.1		9.9	20.0	2.9	86	1:1
UNION CARBIDE.10	03/89	32.58	38.04	21.68	31.70	38.00	19.75	1.4		22.6		5.3	80	1:2
UNIT PHOSPHORUS.10	12/87	2.80	2.66	19.50	48.75	76.25	37.00	0.4	-1.1	121.9	10.0	2.1		
UPCOM CABLES.10	03/89	5.92	1.88	13.18	21.00	53.00	17.50	4.3	-0.8	4.9	20.0	9.5		
VAM ORGANIC.10	03/90	5.16	20.35	49.44	147.50	170.00	120.00	15.7	8.7	9.4	35.0	2.4		
VIDEOCON INT.10	03/90	4.23	6.91	26.34	206.25	271.25	101.25	66.2	49.7	3.1	40.0	1.9		
VINDHYA TELE.10	03/90	3.90	20.90	63.59	107.50	130.00	77.50	8.0		13.4	22.5	2.1		
VOLTAS.100	03/90	19.85	61.98	412.24	105.00	120.00	56.03	9.2	5.8	11.4	24.0	22.9	89	1:2
VST INDUSTRIES.10	03/90	9.65	16.71	27.32	67.50	67.50	45.00	6.1	2.8	11.1	30.0	4.4	89	3:5
WALCHAND.100	09/88	3.00	2.46	182.00	17.50	27.50	16.00	2.0		8.8			82	1:2
WARREN TEA.10	03/90	3.90	11.49	39.46	120.00	135.00	48.50	20.9	4.0	5.7	50.0	4.2	89	1:1
WIMCO.10	03/89	13.58	5.34	13.93	28.00	34.00	15.75	-9.7	-2.8				70	1:5
Z F STEERING.10	03/89	2.25	1.02	14.53	50.00	67.50	43.00	2.6	1.1	19.2	10.0	2.0		
ZENITH.10	12/88	9.15	17.20	28.80	#47.00	61.00	36.00	5.2	3.1	9.0	30.0	6.4	87	1:4
ZUARI.10	03/89	12.43	57.09	55.93	67.50	77.00	55.00	4.8	-2.3	14.1	35.0	5.2		

Note: EPS: This represents the earnings after tax for the full year divided by the number of shares outstanding. EPS half year: after tax earnings per shares for six months taking into account announced half year results. PE: ratio of market price to after tax per share. Yield: dividend as a percentage of market price.

THE BEST DECISIONS ARE ALWAYS THE BEST INFORMED ONES

Business India keeps you well informed and upto date

SUBSCRIBE NOW
and save 20%
on newsstand prices.

Business India

the magazine of the corporate world

I would like to subscribe to Business India for one year at Rs. 145/- ☐ two years at Rs. 285/- ☐ three years at Rs. 425/- ☐

Please send my copies to me at:

Name: _____

Address: _____

_____

(Rates are for India only).

My MICR Cheque ☐ Bank Draft ☐ M.O. ☐ P.O. ☐ for Rs._____ drawn in favour of Business India is enclosed (+ Rs. 5/- for cheques not drawn on a Bombay bank).

Business India, Wadia Building, 17/19 Dalal Street, Fort, Bombay 400 001.

MDD

Company fixed deposits (current for September 1990)

Name of the company	Minimum Amount	Rate of interest %		
		1 year	2 year	3 year
ACC	3000	11.5	12.5	14.00
ASHOK LEYLAND	2000	-	13.75	14.00
AMAL RASAYAN	3000	13.00	13.50	14.00
AMFORGE INDIA	3000	13.00	14.00	14.00
ALL SEASONS	3000	-	13.00	14.00
ARLABS LTD	2000	14.00	14.00	14.00
BAJAJ HIND	1000	-	13.00	14.00
BLUE BLENDS	3000	-	13.00	14.00
BOROSIL GLASS	3000	-	13.00	14.00
BOMBAY DYEING	3000	9.50	13.00	14.00
BAJAJ AUTO	5000	-	-	14.00
BSES	5000	2.00	13.00	14.00
BROOKE BOND	5000	-	-	14.00
BLOW PLAST	2000	-	14.00	14.00
BHARAT GEARS	2000	14.00	14.00	14.00
BLUE STAR	3000	11.00	13.00	14.00
BOERINGER KNOLL	2000	12.50	13.00	14.00
BAJAJ PLASTICS	2000	14.00	14.00	14.00
20TH CENTURY	1000	13.00	13.50	14.00
CEAT TYRES	3000	-	12.50	14.00
CAMPHOR ALLIED	2500	13.50	13.50	14.00
CAPRIHANS	3000	-	14.00	14.00
CHEM & PLASTICS	2000	-	-	14.00
COSMO FILMS	3000	14.00	14.00	14.00
CAMLIN LTD	3000	-	-	14.00
DCW LTD	3000	12.50	13.50	14.00
DUNLOP INDIA	3000	-	-	14.00
ESSAR SHIPPING	3000	-	13.00	14.00
E.MERCK INDIA	3000	-	-	14.00
E.I. HOTELS	1000	-	-	14.00
FGP	3000	12.00	13.00	14.00
GUJ FILAMENTS	1000	14.00	14.00	14.00
GODFREY PHILIPS	3000	12.50	13.00	14.00
GUJ AMBUJA CEM	3000	-	13.50	14.00
GUJ LYKA	2000	-	14.00	14.00
GARWARE SHIPPING	2000	14.00	14.00	14.00
GUJ NARMADA CORP	3000	-	12.50	14.00
HOECHST	5000	-	-	14.00
HIND SUGAR	2000	-	13.00	14.00
HIND ALLOYS	3000	13.00	13.50	14.00
INDROL LUBRICAB	5000	-	-	14.00
ITC	5000	-	-	14.00
INDIA CEMENTS	3000	13.00	14.00	14.00
INDIAN PLYWOOD	1000	13.50	14.00	14.00
INCAB	2000	13.00	13.50	14.00
IVP	3000	-	14.00	14.00
INTEGRATED FIN	1000	-	14.00	14.00
INDIAPHOTO COM	3000	-	-	14.00
INDIAN ALUM.	3000	-	-	14.00
JK SYNTHETICS	3000	14.00	14.00	14.00
JAYANT PAPER	3000	-	-	14.00
KREST LEAS.	3000	-	14.00	14.00
KINETIC ENGG	3000	-	13.00	14.00
KELVINATOR	2000	12.50	13.50	14.00
KIRLOSKAR PNEU.	3000	13.00	13.50	14.00
KIRLOSKAR COM.	3000	12.00	13.00	14.00
KLOCKER WINDSOR	1000	13.50	14.00	14.00
L&T	3000	11.00	12.50	14.00
LLOYDS STEEL	3000	-	14.00	14.00
MUKAND	3000	11.00	12.50	14.00
MAHIN &MAHIN	2000	11.00	13.00	14.00
MODI XEROX	2000	13.50	14.00	14.00
MCLEOD RUSSEL	4000	-	13.00	14.00
MYSORE PETRO	1000	13.00	13.50	14.00
MEHER PHARMA	2000	-	14.00	14.00
MATUEM REA	4000	13.00	13.00	14.00
NAGARJUNA STEEL	2000	14.00	14.00	14.00
NAGARJUNA FIN	2000	14.00	14.00	14.00
NELCO LTD	2000	-	-	14.00
POLYCHEM	2000	13.00	13.50	14.00
PHILIPS CARBON	1000	13.00	13.50	14.00
PRAKASH PIPES	2000	14.00	14.00	14.00
PREMIER AUTO	1000	13.00	14.00	14.00
PUDUMJEE PULP	3000	12.50	13.00	14.00
RANBAXY	5000	13.00	14.00	14.00
RELIANCE	5000	-	-	14.00
RATHI ALLOYS	3000	14.00	14.00	14.00
REVATHI C.P.	1000	13.00	13.50	14.00
SAE	3000	13.50	14.00	14.00
SOUTH INDIA VIS	3000	14.00	14.00	14.00
SESA GOA	2000	13.00	13.50	13.00
SHAW WALLACE	3000	-	13.00	14.00
STRAW PRODUCTS	3000	13.00	13.50	14.00
SRIRAM FIBRES	2000	-	13.50	14.00
SUPREME IND	3000	13.50	14.00	14.00
STEELAGE INDIA	3000	-	-	14.00
SHREE SYNTHETICS	2000	12.50	13.50	14.00
TCI	2000	14.00	14.00	14.00
THAPAR AGRO	1000	14.00	14.00	14.00
TATA FINANCE	5000	-	-	14.00
TATA CHEMICALS	1000	-	-	14.00
UNITED CARBON	2000	-	14.00	14.00
UNICHEM LTD	1000	11.50	12.50	14.00
VARELI TEXT	3000	12.00	13.00	14.00
V.B.DESAI FIN	2000	14.00	14.00	14.00
VIP INDUS	2000	14.00	14.00	14.00
WESTERN INDIA	2000	14.00	14.00	14.00
WS INDUS	2000	13.50	14.00	14.00
ZUARI AGRO	2000	12.50	13.00	14.00

Cumulative deposit scheme (current for September 199

Name of the company	Minimum Deposit	Maturity amount	Period (years)	A
ACC	3000	4503	3	
ASEA	3000	4533	3	
APOLLO TYRES	3000	4555	3	
AEGIS CHEMICALS	2000	3044	3	
ASHOK LEYLAND	2000	3025	3	
AMFORGE INDIA	3000	4533	3	
BEST & CROMPTON	3000	4564	3	
BERGER PAINTS	3000	4533	3	
BATA	3000	4503	3	
BAKELITE HYLAM	2000	3030	3	
BLUE BLENDS	3000	4533	3	
BAJAJ AUTO	5000	7505	3	
BENETT COLEMAN	3000	4533	3	
BHADRACHALAM P	3000	4554	3	
20TH CENTURY	1000	1516	3	
CAPRIHANS	3000	4553	3	
DCW LTD	3000	4533	3	
DUNLOP	3000	4533	3	
DUNCANS AGRO	2000	3036	3	
EMPIRE FIN	1000	1522	3	
ESCORTS	3000	4500	3	
ESSAR SHIPPING	3000	4533	3	
FIRST LEASING	1000	1518	3	
GAMMON IND	3000	4555	3	
GUJARAT FIL	1000	1512	3	
GTC IND	3000	4533	3	
GODFREY PHILIPS	3000	4533	3	
GKW	2000	3036	3	
HIND CONST	3000	4533	3	
HIND ALLOYS	3000	4533	3	
HIND RECT	3000	4566	3	
HARRISON MALY.	3000	4533	3	
IVP	5000	7555	3	
ITC	5000	7555	3	
INDIA CEMENT	3000	4542	3	
ICI LTD	4000	6044	3	
JAYANT VITAMINS	3000	4503	3	
J.K. SYNTHETICS	3000	4500	3	
J.K. INDUSTRIES	2000	3022	3	
KANORIA CHEM	3000	4533	3	
KOTHARI SUGARS	1000	1518	3	
KREST DEVELOP.	1000	1518	3	
KELVINATOR	2000	3000	3	
KIRLOSKAR INV	2000	3036	3	
LUPIN LABS	4000	6072	3	
L&T	3000	4468	3	
MGF (INDIA)	2000	3036	3	
MODI XEROX	2000	3036	3	
MCLEOD RUSS	4000	6044	3	
MODERN THREADS	2000	3036	3	
MODERN SYNTEX	1000	1511	3	
NAGARJUNJA STEEL	2000	3036	3	
NAGARJUNJA FIL	2000	3036	3	
NAMDANG TEA	4000	6044	3	
PARAS SYNTH	3000	4560	3	
PEICO	3000	4502	3	
PHILIPS CARB	1000	1511	3	
PADAMJEE PULP	3000	4533	3	
PREMIER AUTO	3000	4554	3	
PREMIER CONST.	3000	4533	3	
PL FIN& INV	1000	1518	3	
POYSHA IND	4000	6072	3	
RAPICUT CARB	2000	3036	3	
RANBAXY	5000	7555	3	
RATHI ALLOYS	2000	3040	3	
RELIANCE	5000	7550	3	
REGENCY CERAMICS	3000	4533	3	
SAKTHI FINANCE	5000	1518	3	
SOUTH VISCOSE	3000	4533	3	
SAIL	2000	2950	3	
SHRIRAM FIBRES	2000	3022	3	
STRAW PRODUCTS	3000	4533	3	
SESA GOA	3000	4553	3	
SHOPPERS INV.	1000	1522	3	
SAE	3000	4555	3	
THAPAR AGRO	3000	4533	3	
TATA TELECOM	5000	7504	3	
TATA CHEMICALS	5000	7500	3	
UPCOM CABLES	3000	4533	3	
UNIPLAS	3000	4555	3	
USHA ALLOYS	3000	4554	3	
UPTRON	3000	4553	3	
VARELI TEXT	1000	4535	3	
VIP IND	2000	3022	3	
WESTERN HATCHER	2000	3036	3	
WESTERN INDIA	1000	1518	3	
WS INDUS	2000	3022	3	
WIPRO LIMITED	4000	6003	3	
ZUARI AGRO	2000	3037	3	

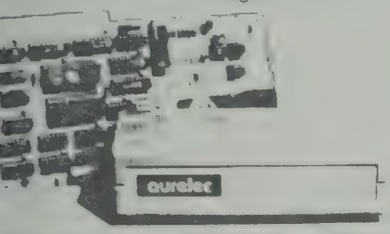
Note: The above list is a selection of companies which deposits from their shareholders or from the public. Publ ited companies offer lower rates than many sound privat ited companies or partnership firms. Readers are advi take suitable professional advice.

The most cost-effective computerised Telex

Rs.6,999*

c PC-TELEX offers the following:

- yed transmission: sends telexes when s are lowest
- matic telex reception and transmission
- e using the computer normally
- r error-free telex messages even on bad lines



Save money from day one. Aurelec PC-TELEX costs only

- Sophisticated text-editor
- Telex abbreviator to save more money
- Keeps track of telex messages
- Fits snugly inside your PC compatible computer
- Does not waste a serial port on your computer
- Multi-user telex-server for **SUPERLAN**
- Unconditional 30 days money back guarantee
- Fully tested and approved by TRC
- 1 year warranty

Aurelec: Quietly building the best

* Price is inclusive of excise duty, sales tax and transport charges. Price does not include octroi, installation and training.

aurelec
data processing systems

Telex: 0469272 ADPS IN
Prayogashala - Auroville
KOTTAKUPPAM 605 104 Tamil Nadu

ERS

RA PRADESH Datamarg, **Hyderabad** 500 018, Tel: 820328 • Narayana Electronics & Communication, **Hyderabad** 500 018, Tel: 262517, Tlx: 425-6058 PACH IN • Maijo Computers .. **Visakhapatnam**-2, Tel: 65370, Tlx: 495-256 • **GUJARAT** Interlink Electronics Pvt.Ltd., **Baroda** 390 016, Tel: 324214, 327439, Tlx: 175-665 LINK IN • Kirit Sales Pvt. Ltd., **Ahmedabad** 3, Tel: 463466, 463766, Tlx: 121-6364 FGI IN • **KARNATAKA** Computer Services of India, 469, West of Chord Road, Mahalaxmipuram, **Bangalore** 560 086 • Datamarg, **Bangalore** 9, Tel: 642642 • Maijo Computers Pvt.Ltd., **Bangalore** 560 001, Tel: 573598 • Kamalakshi Electronics, **Mangalore** 575 008 D.K., Tel: 26298 P.P., Tlx: 832-235 MAUR IN • Sowra, Computer s, **Mangalore** 575 002, Tel: 8601, Tlx: 832-306 LINK IN • **KERALA** Maijo Computers Pvt.Ltd., **Cochin** 682 005, Tel: 24969, Tlx: 885-380 • **MADHYA PRADESH** Systems & Services 452 001, Tel: 23093 • **MAHARASHTRA** Infotech Automations, **Bombay** 400 002, Tel: 311963, 312226, Tlx: 11-4514 LAKH IN • Kamalakshi Electronics, **Bombay** 400 063, Tel: 6731936 -5065 GEAR IN • Narayana Electronics & Communications Ltd., **Bombay** 400 093, Tel: 6327127, 6340939, Tlx: 11-79147 PACK IN • Tangerine, **Bombay** 400 021, Tel: 2873651, Tlx: 11- UDH IN • Tele Electronics, **Bombay** 400 001, Tel: 2872295, 2872334, Tlx: 11-5726 AMSL IN • Creative Business Techniques, **Nagpur** 440 010, Tel: 25327, Tlx: 715-521 CBTS IN • Happy h, **Pune** 411 037, Tel: 653425, Tlx: 145-203 KANT IN • **NEW DELHI** Aristo Computers, **New Delhi** 110 008, Tel: 5712869, 5711356, Tlx: 31-66981 ASTO IN • Computer Alley, **New Delhi** 2, Tel: 271964, Tlx: 31-63305 BANS IN • Computer Land, UG-18, 5, Bhikaji Cama Place, **New Delhi** 110 066, Tlx: 31-72415 LAND IN • Guard Electronics Pvt. Ltd., **New Delhi** 110 048, Tel: 98, 6415971, Tlx: 31-71036 FNS IN • Modi Peripherals Pvt. Ltd., **New Delhi** 110 019, Tel: 6431016, 6461229 • Narayana Electronics & Communication, **New Delhi** 110 019, Tel: 6439703 • **AB** Inde Associates, **Ludhiana** 141 001, Tel: 33138, 37031, Tlx: 31-62126 INDE IN • **TAMIL NADU** Datamarg, **Madras** 600 018, Tel: 457012 • Maijo Computers Pvt. Ltd., **Madras** 600 017, 2512, Tlx: 41-8211 MAJO IN • Maijo Computers Pvt. Ltd., **Trichy** 620 002, Tel: 26740 • **UTTAR PRADESH** Ocean Data, **Dehra Dun** 248 001, Tel: 23188, Tlx: 585-316 TLWR IN • Overseas Network, **Noida** 201 301, Tel: 20251 • **WEST BENGAL** Maijo Computers Pvt. Ltd., **Calcutta** 700 027, Tel: 454012, Tlx: 21-4064 LGXP IN • Ontrack Systems Pvt. Ltd., **Calcutta** 700 029, Tel:

Dealer enquiries for the following cities are requested : BHOPAL • COIMBATORE • JAIPUR • KANPUR • LUCKNOW • MADURAI • PATNA

ain Drops
n Golden Sands
nvite You

Weddings, Birthdays, Parties,
nferences, or just a relaxed
ening by the sea.

Varm welcome/Personalised service
ar/Open Air Restaurant (Mughlai/Chinese cuisine)
ll facilities for conferences/seminars
anquet facilities for 15 to 1500 people
mple parking

o Expenditure Tax. 8% Sales Tax Only



JUHU HOTEL
Bombay's Only Beach Resort

For reservations call us at: 6146140/6146136/6146144

'That damn spot in Madras
exts us Rs.42,000 each time,
I hope it was telecast.'

'I need in-shop
demonstrations
conducted in 25 cities.'

'Sticker 10,000 ca
Hyderabad.'

'Who on earth will attend
tomorrow's tender opening in
Dehradun.'

'I want to sample at
20,000 houses in Vara

'must have a confirmed
otel reservation in Goa,
t's peak season now.'

'Are our cinema
appearing on schec
Jamshedpur?'

'We need to cover at least
owns for this survey and only
month in which to do it.'

'We need to pla
Mysore with post
next week.'

'I need a salesman in ev
State capital in India... next

INTRODUCING INDIA'S FIRST NATIONAL NETWORK FOR MARKETING AND BUSINESS SERVICES

Market Network with offices in over 50 cities in India and soon to cover 150 cities, is India's first national network to offer comprehensive marketing and business services.

Each office is fully equipped and manned by full time, competent, trained staff to provide instant access to the remotest corners of the country.

For Promotions, Data collection and Research, Recruitment of sales and marketing personnel, Distribution and a host of other invaluable marketing and business services.

Market Network works for you in 4 ways.

1. It's National
The national network of offices coordinated through controlling zonal offices at Bombay, Delhi, Calcutta and Bangalore for the first time allows truly national penetration, even simultaneously at multi-locations, for any kind of marketing effort.

2. It's Faster
Fully manned offices ensure immediate implementation. Saving invaluable time that would be involved, if you were to set up your own office, recruit staff, or even send existing staff from outstation.

3. It's Better
Market Network's quality assurance plan begins with staff selection, who from managers to field staff are hand picked and formally trained to adhere to stringent all India quality standards. In addition, these individuals being residents and familiar with the town, are far more effective i implementation than outsiders.

4. It's Economical
Through Market Network the implementation of any job costs less as i handled locally, totally eliminating expensive travel, board and lodge costs outstation staff.

RANGE OF SERVICES

Marketing Services Division

- Promotions
- Data Collection
- Market Research (In affiliation with MRAS-Burke)
- Media Checking
- Distributor Appointments
- Distributor Monitoring

Personnel Services Division

- Personnel Recruitment
- Supervision of outstation personnel

Business Services Division

(Services open to Members only)

- Representative Office with Staff on pay-as-you-use basis
- Communication Facilities
- Tender Opening Attendance
- Outstation Claim Verifications
- Outstation Bank/Stock Reports
- Cheque Collections
- Travel & Accommodation Bookings

Call the Market Network office in you town today for an instant hook up to national marketing and business service

MARKET NETWORK

THE FASTER, BETTER, ECONOMICAL WAY TO NATIONAL MARKETING

Bombay: 249,Dr.D.N. Road, Bombay-400 001. Tel: 2610008/2610089/2622458 ● 14/15 Satam Ind. Estate, Andheri(E), Bombay-400 093. Tel:6343472
Delhi: B-4/66 Safdarjung Enclave, New Delhi-110 029. Tel: 6874504 ● F-6 First Floor, Harbans Bhawan-II, Nangal Raya Commercial Complex, New Delhi-110 046. Tel: 550 7608.
Calcutta: 18(4/4) Ekdalia Road, Calcutta-700 019. Tel: 422048 ● 3B Dehi Entally Road, Calcutta-700 014. Tel: 294894
Bangalore: Brigade Towers, Brigade Road, Bangalore-560001. Tel: 210715 Ext. 1908. ● 427, 56th.Cross Rd., III Block Rajaji Nagar, Bangalore-560 010. Tel: 351528
● Ahmedabad(352252/351715) ● Ahmednagar ● Amravati(5342/3329) ● Aurangabad ● Balasore ● Bhopal(553357) ● Bhubaneshwar(51870) ● Bokaro ● Cochin
● Cuttack(23081) ● Guntur ● Guwahati(31452) ● Hyderabad(840623) ● Indore(36574/33285) ● Jabalpur(25848) ● Jaipur ● Jalgaon(6271) ● Jamshedpur (29502) ● Jodhpur ● Kanpur(211932)
● [illegible] ● Lucknow ● Madurai(25560 37979) ● Mangalore ● Mysore(28808) ● Nagpur(525597) ● Navsari ● Patna(32167) ● Pune(333981) ● Quilon(2657) ● Raipur(23424 323095)
● Serampore(622498) ● Silchar(21549) ● Surat(49209/49306) ● Trivandrum(74929) ● Tuticorin (22877/20577) ● Vishakapatnam ● Warangal(23379)

score and four score

roved working results of ACC, Reliance, Tisco Telco announced in June, shot up by another er cent. While most of our contestants of 22 were right in predicting that ACC would , it was the other three scrips (Reliance, Tisco Telco) that had them foxed. Nevertheless we 24 winners to share the prize.

crips	Prices as on Tuesday 3 July 1990 (Rs.)	Prices as on Tuesday 31 July 1990 (Rs.)	Ranks
CC	622.00	1,080	1
ombay Dyeing	243.00	268.00	6
& M	87.50	102.50	5
eliance	125.00	125.50	2
sco	160.00	164.00	3
eico	160.00	207.00	4

Given below is a new list of six scrips, and their closing prices on 13 August 1990. Pick the share that you think will rise the most in percentage terms by 10 September 1990 and rank it number one. Then choose the one that you expect will rise the second most and rank it number two. Then number three, and so on till rank six. It's as simple as that!

So, in this Investor Contest, you don't have to predict the price of shares; you merely have to rank the performance (in percentage terms) on the basis of the prices you expect each to reach on 10 September 1990. You don't have to tell us either the prices or even the percentage changes you expect — only fill in the ranks from one to six.

Please note that if you assign the same rank to two scrips, then the following one should be ranked the next consecutive number. For example, if you rank two shares at number three, the next will be number four (in which case, of course, your last rank will be five).

s:

ere is no entry fee.

e price mentioned last in the official ation list will be taken as correct for oses of calculation. If the stock ex- ge remains closed on the stated last he closing price on the prior day will be

tries must be on the printed form given . Any other entries will be disqualified.

4. Only one entry will be permitted per form.

5. Envelopes sent in should be marked Investor Contest. All entries should be sent to: Investor Contest, **Business India**, Wadia Building, 17/19 Dalal Street, Bombay 400 001, by 5 pm, 6 September 1990.

6. Business India's decision on the winning entries is final and binding, and no correspondence in this regard will be entertained.

7. The contest is open only to residents of India. No employee (or any direct relation of an employee) of the **Business India group of publications** is entitled to enter the contest.

8. The prize of Rs.5,000 will not be carried forward if there is no winner. In the event that there is more than one winner, the prize will be shared equally.

e of scrip	Prices as on Monday 13 August 1990 (Rs.)	Rank as on Monday 10 September 1990 (please fill in number)
at Ambuja Cement	80.00	
st	2,850.00	
Ciba	1,680.00	
hemicals	93.75	
s Cement	2,350.00	
Cement	14.00	

Name: _____

_____

Address: _____

_____

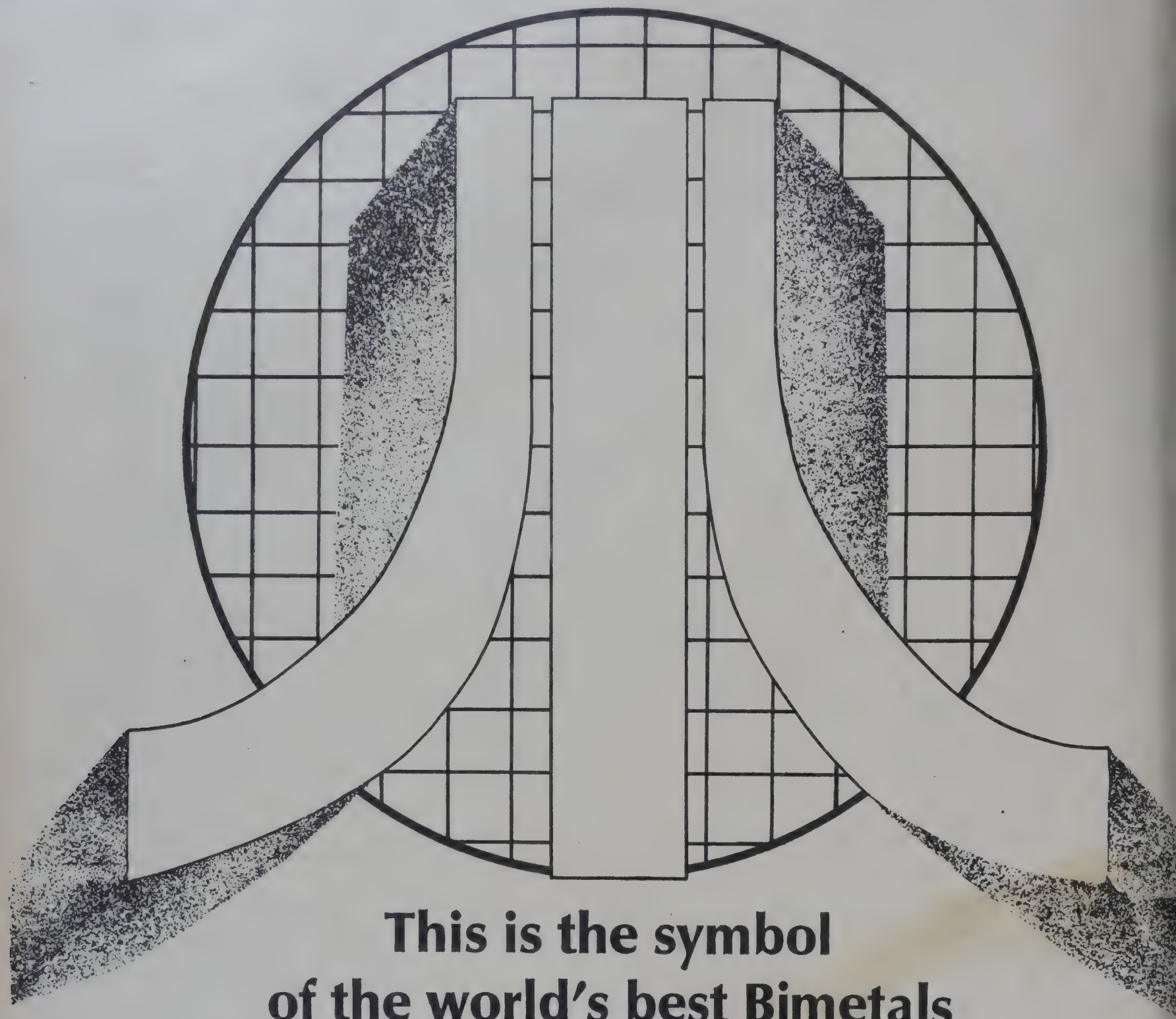
_____

Age: _____

Profession: _____

Date: _____

IC325



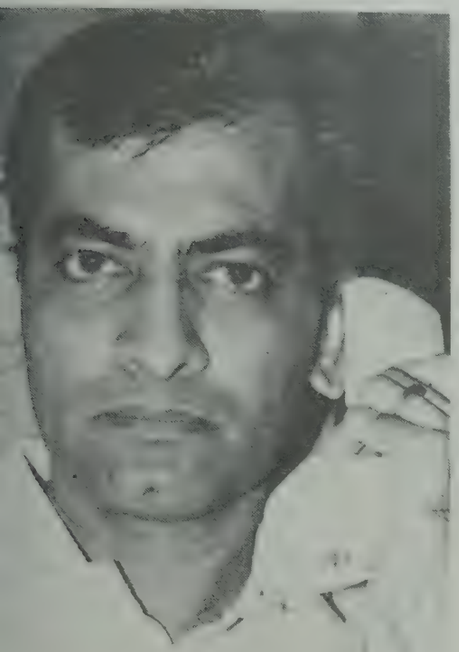
This is the symbol of the world's best Bimetals

YES ! Shivalik has set the pace in thermo Bimetal technology. By seeking to develop innovative solutions to customer needs using expertise of highly qualified engineers, it ensures product of international standards.
Today, Shivalik Thermostatic Bimetals has no equal.
Our extra measure of accuracy gives you an extra PROFIT.

Shivalik Bimetal Controls Ltd

II Fl., Suneja Chambers, H-2 Alaknanda Commercial Complex, Kalkaji, N. Delhi-110019
Tel : 6448174, 6448175 Tlx : 031-65903 SBCL IN

eeping the same company



agannath, *47, is executive director jects), Ashok Leyland Ltd.*

ok Leyland will spend Rs.500 crore the next five years to produce a new k, that the company hopes will be y by January 1993. The vehicle is to be size between Leyland's heavy truck an LCV. This will be one of Leyland's ambitious projects and the man cho- o implement it is R. Jagannath, execu- director, projects, one of the most erienced in the field.

gannath is proof of the fact that up- l mobility does not depend on job hop- . A mechanical engineer from the nbatore Engineering College, he grad- d in 1964 and joined Ashok Leyland) the same year as an apprentice. His tude for R&D was quickly spotted by uperiors, who cut his three-year ap- ticeship down to six months.

sfying years. "The early years were satisfying," recalls Jagannath, who nvolved in R&D for almost a decade. 70, he was sent for a year to the UK for nced training in transmissions, axles earboxes. "These years in R&D gave feel for the trucks we were manufac- g, and proved an asset while I was g AL's trucks," he adds.

early 1975, Jagannath was appointed tant manager, exports and six hs later was made manager. "The nu- of the export division was set up . A team of three took care of a range ivities—from actual loading of ship- s to dealing with banks, complying with export formalities and discovering new markets," he observes. But this exciting phase came to an end in 1979 with his transfer to domestic sales, as a senior manager. Exports was restored to his charge in 1981, and in 1983, he took over as general manager, sales & services.

In 1983, however, it was difficult to sell trucks as the market had just turned in favour of the buyer. His production background was an advantage in those troubled times. "When the chips are down, advertising does not help. The performance of the product, its pricing, reliability and durability are the factors which count," he adds.

Firefighting. Jagannath also emphasized planning and organised highway service campaigns, free service campaigns and fraternised with drivers at service points. These firefighting tactics continued till 1988 when the market picked up again. Sales, which were only Rs.282 crore in 1984, touched Rs.862 crore in 1989 (15 months).

In the process, he found that he had a flair for marketing. During his tenure, service training received importance and highway repair centres were set up in addition to driver training schools, all of which aided the marketing effort.

In July 1986, Jagannath moved up again, to director, marketing, and in May 1989, he was appointed to the board as executive director, projects and exports.

AL's export targets have been hiked to Rs.30 crore this year from Rs.22 crore in 1989-90. "Markets are opening up once again in the Middle East, Africa and even Sri Lanka," he observes. "Demand for AL persists and the trend, worldwide, is for cheaper models, so Indian manufacturers will benefit," he adds.

The niche that Leyland has positioned its new vehicle for has been called the intermediate vehicle segment. Jagannath is involved in getting the whole act together, "from organising the actual suppliers to looking into the indigenisation aspect".

He attributes some of his success to his skills at interpersonal relationships. The fact that he has been "a one-company man" has also helped.

While his hobbies include photography and swimming, "frankly, I like to spend time with the family," he says.

■ DHARANI K. PANI

FRONTRUNNERS



Keki M. Mistry, the 35-year-old general manager, finance and planning at the Housing Development and Finance Corporation, studied commerce at Sydenham College, Bombay, and articled with A.F. Ferguson & Co for two years before joining the Indian Hotels Ltd that owns the Taj group of hotels, in 1979. Seeing no future in his job at the Taj group , he accepted the offer of an assistant manager at the fledgling HDFC in 1981.

Mistry went on to become general manager of finance and planning in early 1989. Says he, "it was good timing — joining the right company at the right time". His job involves looking after accounts, taxation, recoveries and corporate planning. Besides the nitty-gritty of taxation and planning, it is the writings of P.G. Wodehouse which makes life more interesting for Keki.

— A.K.



It came as a surprise when **Beroz Gazder** quit the much sought after accounts executive's position at Standard Chartered Bank to join Tata Sons as a mere secretarial assistant in 1985. "I wanted to be a company secretary," explains 33-year-old Beroz Gazder.

A year later, she became company secretary at Tata Finance — the only senior woman executive in the company. Gone are her days of stationery purchase and fixing new recruits, now she is into buying finance.

Gazder graduated in commerce from H.R. College, Bombay and took a company secretary's course from the Institute of Company Secretaries of India in 1984. She sees a tremendous scope for finance companies like hers, and not surprisingly, in just five years, Tata Finance has grown from an asset base of Rs. 3.5 crore to Rs. 36 crore in 1990.

— A.K.

Sundaram Finance Limited

Regd. office: 21 Patullos Road, Madras - 600 002.

Speech Delivered by
Shri T S Santhanam, Chairman,
AT THE 37TH ANNUAL GENERAL MEETING OF SUNDARAM FINANCE LIMITED HELD ON 10TH AUGUST 1990 AT MADRAS

Ladies and Gentlemen

I have great pleasure in welcoming you all to the 37th Annual General Meeting of your Company. The Directors' Report and the Audited Accounts for the year ended 31st March, 1990, have been with you for some time and with your permission, I shall take them as read.

You would have observed from the accounts that your Company has had another successful year. The cumulative receivables under hire-purchase and leasing reached a record figure of Rs.364 cr. Post-tax profit also touched an all-time high of Rs.9.20 cr. Your Directors have recommended a dividend of 30%, same as last year and have also proposed a liberal bonus issue in the ratio of 1:1.

Your Company continues to provide depreciation under the Written Down Value method on **all its assets**. As observed in the Directors' Report, the provision made by your Company in its books for depreciation in respect of leased assets results in an over-amortisation if the guidelines prescribed by the Institute of Chartered Accountants of India were to be applied retrospectively.

ECONOMIC SCENE AND PROSPECTS

It is expected that the monsoon will be quite favourable this year also and, consequently, agricultural production will be at a high level. This factor, coupled with further liberalisation of the industrial licensing policy and streamlining of procedural formalities, should produce a better climate for industries in general and the road transport sector, in particular. The substantial increase in output planned by the vehicle manufacturers is expected to be fully absorbed by the transport industry. Despite keen and increasing competition, your Directors are confident of achieving reasonably good growth in the volume of hire-purchase business through intensified marketing efforts.

Thus, while your Company's business outlook for the immediate future is encouraging, certain limiting factors constraining the growth of the road transport industry should not be lost sight of. First is the network and the state of roads in the country. Although the total length of the road network has increased from 4 lakh km in 1951 to 19 lakh km at present, thanks to an expenditure of roughly Rs.15,000 cr. on road development out of Plan allocations, the vehicle population is estimated to have gone up during this period from 3 lakhs in 1951 to about 140 lakhs. Even in terms of road freight, the increase has been quite steep from 12 billion tonne kms to 210 billion tonne kms in 1987-88.

The steep rise in road traffic, the increasing use of heavy duty vehicles and overloading, now hopefully curbed, have all placed a great strain on the country's roadways. Road transport accounts for nearly 60% of the total freight movement in the country – as against barely 20% in 1951– and it is expected that there will be a three-fold rise in freight movement by the turn of the century to 600-700 billion tonne kms. One cannot, therefore, over-emphasise the need for expanding and, equally important, modernising the country's road network through construction of multi-laned expressways and other high speed facilities, through more efficient traffic operating systems and advanced construction and maintenance technologies.However, hitherto, Plan allocations on roads had been progressively declining – from 6.7% of the total outlay in the First Plan to 2.9% in the Seventh. I am happy to note that there has been a welcome reversal of this trend in the Eighth Plan where the proposed allocation of Rs.32,600 cr. represents a little over 5% of the total outlay. Even so, there is need for stepping up this allocation still further, particularly since the expenditure on roads has come down to around 30% of both direct and indirect revenues from the road transport sector as against 70% in the First Plan period; besides, the Central Road Fund has also reportedly been augmented recently by an increase in the levy on petrol and bringing in diesel within its ambit. I suggest that the private sector also be encouraged to play a role, even if selectively, in supplementing the efforts of the Central and the State Governments in taking up developmental activities in the road sector. All these measures should go a long way not only in conserving foreign exchange through a substantial reduction in fuel consumption but also to reduce the running costs of transport operators, both in the public and private sectors, by an estimated Rs. 6,000 cr. per annum, thus improving the viability of their operations.

These two aspects assume considerable importance in the current context since free availability of petrol/diesel oil and operational viability of transport operators in the face of rising prices of vehicles, components and major inputs are two other limiting factors that I see for the planned growth of the road transport industry, to which your Company is so closely linked.

Indeed, your Company has played a vital role right from its inception in the financing of the road transport industry not only on its own but also in getting commercial banks and Central/State financial institutions to recognise this industry as a priority sector for lending operations. If today, nearly 70% of the financial requirements of this industry is provided by banks and financial institutions, the credit must go in no small measure to the efforts of those Directors of your Company as have served on several high level policy committees constituted by the Union Government and the Reserve Bank of India.

Regrettably, there is a feeling in some quarters that hire-purchase companies, which at best play a complementary role in financing the road transport industry, have emerged as competitors to the public sector financing agencies. As a result, more and more restrictions are sought to be imposed on the former. It is my earnest hope that the authorities concerned will appreciate the useful role played by a hire-purchase financing company like yours and create a climate conducive to orderly and measured growth. And, in turn, your Company pledges itself to the highest standards of business ethics and efficiency in all its dealings.

LEASING

With the removal of Investment Allowance and Investment Deposit Account scheme benefits and the corresponding revision in corporate tax rates in the last budget, the prospects for leasing have brightened. Of course, large business houses have also entered the market stepping up the competition. Still, your Company hopes to write a higher volume of leasing business in the coming year.

SUBSIDIARY COMPANY

India Equipment Leasing Limited, your subsidiary, fared well during the year under review and earned a profit before tax and depreciation of Rs. 182.86 lakhs as against Rs.115.13 lakhs in the previous year. After providing a higher sum for depreciation and taxation, the profit after tax amounted to Rs.47.94 lakhs. The Company has maintained the dividend at 10%.

DIVERSIFICATION

The proposal for extending other financial services in a phased manner through a subsidiary, is being pursued and necessary applications are being made for governmental clearances.

ACKNOWLEDGEMENT

On behalf of the Board of Directors and on my own behalf, I convey my sincere thanks to the customers, depositors, bankers, the Industrial Development Bank of India and the shareholders for their support and co-operation. I also wish to place on record my sincere appreciation of the excellent work done by the employees of the Company.

Note: This does not purport to be the proceedings of the Annual General Meeting of the Company.

e's in tune with the times, literally and figuratively. gh Din, his shirt shop in Bombay, attracts hordes hion-conscious men from



ver the country. But what nerally not known is that n Daswani also composes als, bhajans and semi-clas- Indian songs. In addition, as scored the music for 15 ds and cassettes. Not will- o wait endlessly for music panies to back him, Daswani produced most of the cas- s himself, at a cost of ,000 to Rs.25,000 each and given them to HMV, CBS other companies for mar- g. "This way, I ensure the sure I want, even though I to pay a price for it," he says idly. That must be a small to pay for fame, given that ag Din has average sales of 5 lakh per day.

he institution: the Indian nstitute of Managment, alore (IIMB). The assign- finding somebody suita- head it. The choice: G.V.K. a former member of the ing Commission and chief ary of the Karnataka gov- nt. In a situation riddled ontroversies over allega- of arbitrary promotion of y members, and irregu- s in construction of s buildings ever since for- IMB chairman Abid Hus- left for the US, Rao's ntment has been wel- in all quarters. In fact, the IIM Employees Association has started discussing its problems with the new chairman even before he has formally taken charge.

Soft-spoken Rao's appointment "augurs well for the institute", according to a faculty member. "He is from the IAS and has administrative acumen. Since he is a local man, he is familiar with our problems. Things will definitely improve under him." Rao will not reveal how he plans to bring about the expected transformation apart from a non-committal, "IIMB is a good institution. It will continue to remain an institute of excellence."

When the Essar Scholarship Scheme was announced last year, many called it just a publicity gimmick. But last fortnight, when eleven candidates from different parts of India were awarded the scholarships for higher studies, even the critics of the scheme had to applaud. A brainchild of the Ruia brothers, (Ravi and Shashi Ruia) promoters of the Essar group, the Essar scholarships have been instituted to encourage entrepreneurial spirit and vision in the young people.

The scholarship carry a cash award of Rs.50,000 per year for post graduate studies abroad and Rs.15,000 per year for graduate and post graduate studies in India. The first list of candidates selected from among 500 applicants—six female and five male students — received the





honours at a ceremony proudly attended by the entrepreneur brothers. The selection committee was so impressed by the brilliant achievements of the candidates interviewed, that the number of scholarships for study in India was increased from eight to ten. The scholarship for overseas study went to Zoher Y. Siamwala, a student of architecture from Bombay to continue studies at the Massachusetts Institute of Technology, USA. As the slogan for the Essar ad says, "(this is) what the core sector is all about."

When Simone Tata, the aristocratic managing director of Lakme Ltd, shifted residence last fortnight from Tata Palace near VT station to a flat in the Cuffe Parade area of south Bombay, the move had business circles buzzing with rumours. What, everybody asked, prompted the most visible lady manager in the Tata empire to take such a drastic step? But now the reason can be told: the Tatas have sold off the stately building to Deutsche Bank for an undisclosed sum.

All the rural versus urban talk notwithstanding, the current obsession of a Jat leader from Haryana is computers. No, he is not Devi Lal, but former chief minister and ..ngress (I) leader Bansi Lal. He has acquired a Casio portable low-memory personal computer, and is taking lessons from a young programmer. Bansi Lal appears enthusiastic about mastering the machine, according to his teacher, and spends hours feeding and retrieving data. Considering that Congress president Rajiv Gandhi is himself a computer buff, Bansi Lal appears on the right path to win the confidence of his leader!

She is no stranger to fawning and sycophancy, having been subjected to both in large doses during papa's reign. But what she saw at Delhi airport last fortnight must have surprised even Priyanka Gandhi She had just returned from a Europen holiday and guess who was at the tarmac to receive her? Old faithful R.K. Dhawan, resplendent in a spotless white silk kurta pyjama, and an assortment of Congress (I) leaders with garlands in their hands and broad smiles on their faces. This, at a time when political analysts are busy discussing the possibility of the party without Rajiv Gandhi at the helm in the future. But old habits die hard.



Shape of jobs to come

Head hunters overseas are always in search of the outstanding financial or market analyst — the international marketer and the turnaround specialist — whose perceptive insight helps companies make the strategic decisions that create fairy tale success stories. The salary packages and bonuses of these whizkids are legendary. The Indian job market, however, has not seen a demand for such jobs as yet. But the day when, perhaps, a watered down version of such skills will be in demand seems near.

Ads for economists, market research heads and corporate planners indicate clearly the recognition of the need for such skills. The emergence of competition and the growth of mega corporations has resulted in a qualitative change in the skills sought by the more progressive companies. Traditional line managers, irrespective of their talents, are unable to bring to an organisation the knowledge, the perspective and the insight that "market watchers" have, because they tend to get too absorbed in what is happening within the corporation.

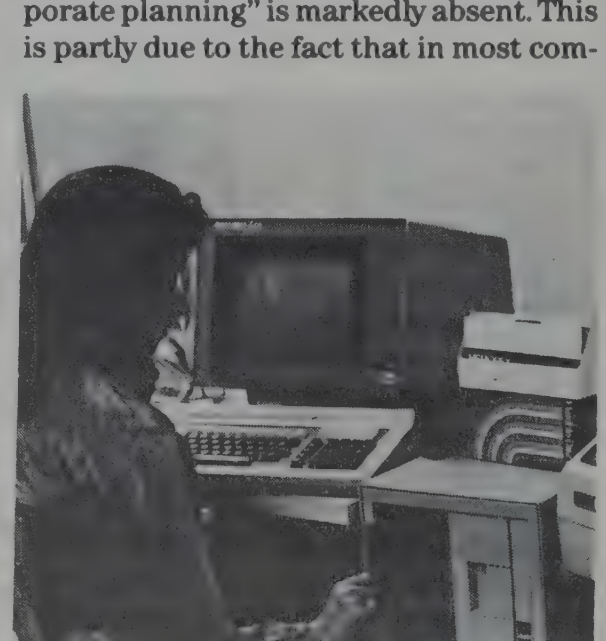
On the fast track

Already, with the heightening of competition, product/brand management and marketing jobs have become the jobs of the fast track, as against conventional sales and distribution jobs. The importance of market research and media planning is also well recognised. However, there still remain jobs performed mainly by external agencies, since the scope for such in-house experts is perceived to be limited. But large corporations prefer to have such specialists operating in-house.

And yet these jobs, which overseas are the preserve of the "blue bloods" — analysts high up in the areas of competitive intelligence, environment scanning and corporate planning — are yet to get the importance they deserve in India. Graduates from the premier management schools yearn for jobs such as these which would give them an opportunity to use much of what they have studied as also enhance their visibility before senior management.

However, competitive intelligence which goes far beyond traditional market research is bound to gain in importance here too. In a competitive environment — made more complex by a plethora of legislation and the possibility of varying business ethics, which could alter the rules of the game for the various players — the need for such intelligence is now being acutely felt. Until now this has remained largely the job of the entrepreneur and is virtually non-existent in "professionally" managed companies. But jobs calling for a good understanding of the business environment and a multidisciplinary grounding in skills are quite definitely the jobs of the future.

In most companies, and even in large groups, the relatively old concept of "corporate planning" is markedly absent. This is partly due to the fact that in most companies such jobs are performed informally by the entrepreneur or CEO. It is also true that companies do not consciously prepare formal corporate plans, but rather look at annual "budgets". Planning remains something that is done informally or on an *ad hoc* basis. Perhaps so far the volume and complexity of business have not demanded anything more than this.



Advances in information technology will create jobs for specialists

Hard to get

However, the few companies that are beginning to recognise the need for such skills, find that they are unable to obtain appropriate talent even for the well understood functions of market research or corporate planning. This is because of their inability to attract super-specialists into a structured organisation and c pensation system.

The strength and status of these are derived from the incumbent's ac sibility to the "top". Most specialists access to senior management impos in the traditional hierarchical orga tions. They soon discover that the kin status and power, they enjoyed as ex nal specialists, no longer hold once are in-house specialists. The unfortu fact is that such jobs are often consid to be for those put on the shelf and h tend to be neglected.

Compensation is also a serious is Specialists are used to a geometri crease in their salary, that has no rela to "service". Burnouts are also quite c mon. Fitting them into a traditional sa grade and benefit structure is there quite difficult and companies need to at innovative solutions, such as enga them on a "contract" basis.

The rapid development of informa technology has served to change the cept of many traditional jobs and ca significant changes in the power equa in organisations. It has also resulted in acceptance of the flatter, "matrix" typ organisation. The possibility, therefor finding ways of absorbing specialists the system will certainly be better.

Advances in information techno will also create jobs like systems spe ists, MIS specialists, budget contro and so on. These jobs involve a high de of co-ordination to ensure that dat available, as also the monitoring of formance and interpreting of tre shown by the data. The emphasis i analysis rather than data collection. S functions are today considered part o executive assistant's job and yet do include analysis, as too much effort into data collection.

Jobs in the areas of corporate plann environment scanning, competitive in ligence and budgeting/management c trol are the jobs for tomorrow. Thi because they relate to a more competi environment and situations where c panies become increasingly diversi and multilocational. With diverse p lems making it impossible for entre neurs to monitor everything persona "staff" jobs are emerging as critical.

The future belongs to those who handle, assimilate and interpret data; the more versatile the analyst, the hig his/her value in the job market.

■ ANITA RAMACHANDI



COME HOME TO GREEN SERENE

It's the end of your day.
Come away from the heat, tension and strain.
To lush and serene Alipore. A mere two kilometre drive from Calcutta's business centres. To a green welcome, of whispering shrubs and trees; the scent of flowers and a blue, blue pool. Come home to where it's calm and soothing. To Taj Bengal.

Taj Bengal

A whole new experience

THE TAJ GROUP OF HOTELS

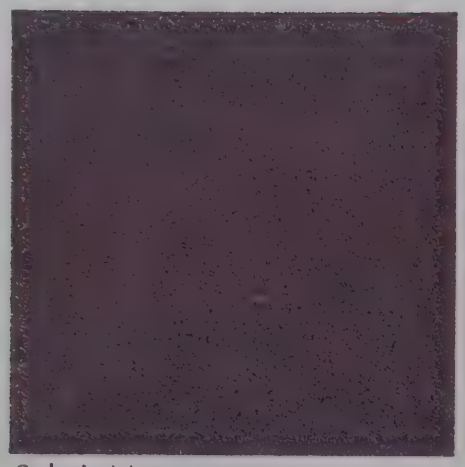
TSA-C/TB/2290

INTRODUCING

SOLARIS

GRANITE

12 x 12



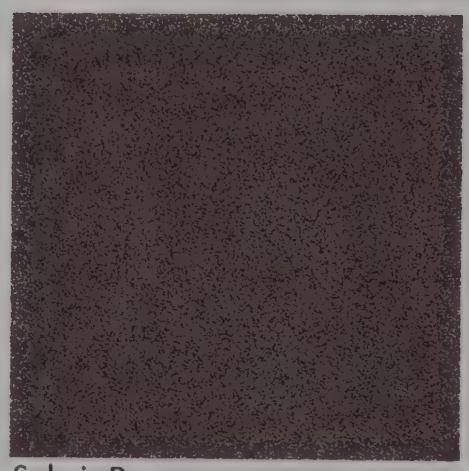
Solaris Maroon



Solaris Grey



Solaris Sandstone



Solaris Brown



SOLARIS COLLECTION

The attractive and original SOLARIS collection draws attention to itself. It is a large tile floor covering that fits the home like a glove.
The smallest detail of the SOLARIS collection has been attended to, achieving a product of high quality and beauty.
Available in four colours in an exclusive design, the SOLARIS collection creates a lovely aesthetic effect in all contexts.

Kajaria

Kajaria Ceramics Limited

For Perfect Floors, contact any of our offices or your nearest Kajaria Dealer.

Corporate Office:

C-7, East of Kailash, New Delhi-110 065. Phones: 6837833, 6830533, 6836433. Fax: 91-11-6841772. Telex: 031-61053 KAST IN.



in collaboration with TODAGRES Spain

Regional Offices:

Bombay: 11, Homi Modi Street, 2nd Floor, Room No. 24, Fort, Bombay-400 023. Phones: 271335, 271217. Fax: 022-274428. Telex: 011-82577 KAST IN.

Calcutta: 2/6, Sarat Bose Road, Central Plaza,Room No. 203, Calcutta-700 020. Phones: 754820, 750084. Telex. 021-4842 KAST IN.

Systems/815/80

"S[illegible] engineers learn UNIX before even thinking of working on a Workstation?

Do engineers need to know advanced programming for Parametric Design?

Must engineers learn Mesh Generation Techniques for performing Stress Analysis??

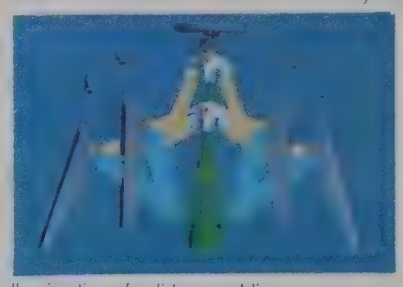
These, and similar queries, formed the theme for a multi-million dollar survey conducted in USA recently. The results proved to be startling

* Most Mechanical Engineers, though aware of the importance of computers in their line of work — felt inadequate when it came to the intricate programming processes involved in its usage
* Hardly 10% of the engineers had the necessary expertise to use their systems to its full potential. The rest 90% were using their advanced 3-D systems for basic 2-D drafting work
* There existed a strong need for simple, uncomplicated operating procedures; for a top-of-the-line Engineering System, which an engineer could communicate with, in his own language

The need was well defined. And the computer industry was never one to miss a challenge. A number of ideas were thrown up... and abandoned. Finally, ARIES TECHNOLOGY emerged with the ULTIMATE CONCEPT. The ARIES – CONCEPTSTATION . A most comprehensively complete Engineering System designed with mechanical engineers, and their working knowledge of computers, in mind. Simple, easy to use and the best today's technology can offer.

5. ADVANCED KINEMATIC ANALYSIS — Finally affordable.

The integration of MDI — ADAMS* world leaders in Mechanisms Analysis, with the ARIES CONCEPTSTATION, helps mechanical engineers to solve the most complex linkage problems by themselves... all at the desk top level



The outputs from the Mechanisms Analysis include: fan diagrams, coupler curves and above all, animation of solid assemblies.

Check FORM — Check FIT - - Check FUNCTION:

Being a system specially designed for mechanical engineers, the ARIES CONCEPTSTATION provides the above three basic facilities — which are so crucial to an engineer's line of work.

World's most advanced MCAE* System — now in India.

Interface Electronics (I), do it yet again. Considered to be the pioneers of CAD/CAM in the country with a proven track record of bringing home the best International Technology has had to offer. Interface, in tandem with ARIES TECHNOLOGY (USA), now introduce the ARIES CONCEPTSTATION to India. Bringing within the grasp of Indian Engineers,

...The power of Predictive Design.

The world's most advanced MCAE* System, made ...SIMPLE.



1. The ARIES 'User Interface' — ULTIMATE IN CONCEPT:

Specially designed to put the MCAE* System at par with the communication level of the mechanical engineer. Simplifies operation and data input.

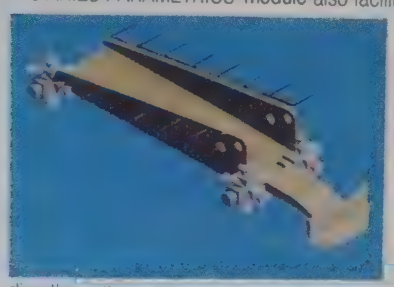
2. Wireframes vs. the Aries Shaded Solids.

The ARIES CONCEPTSTATION introduces a revolutionary new concept — the facility to work directly on SHADED SOLID MODELS. At the desk top level... at an extremely affordable price

3. PARAMETRIC DESIGN: Intricate programming vs. the ARIES ease.

ARIES permits direct entry of design rules that govern geometry of parametric models. These equations, in turn, are solved to automatically generate geometry by the unique ARIES Design Rule Processor (DRP)

The ARIES PARAMETRICS module also facilitates instant interactive modifications of solid models.



4. MODEL VERIFICATION: Yesterday's technology vs. the ARIES Methodology.

The ARIES CONCEPTSTATION is the only system which permits the user to apply physical loads and constraints directly on the solid model, as against the traditional Mesh-generation-and-subsequent- load-application technique

The ARIES System also includes a fully automatic Mesh Generator which allows mechanical engineers to solve complex stress analysis problems on their own, without finite element expertise

* ADAMS is a registered trademark of MDI * Mechanical Computer Aided Engineering.

For detailed information on the system, contact:

THE EXCLUSIVE DISTRIBUTORS IN INDIA for ARIES TECHNOLOGY

Interface Electronics (I)

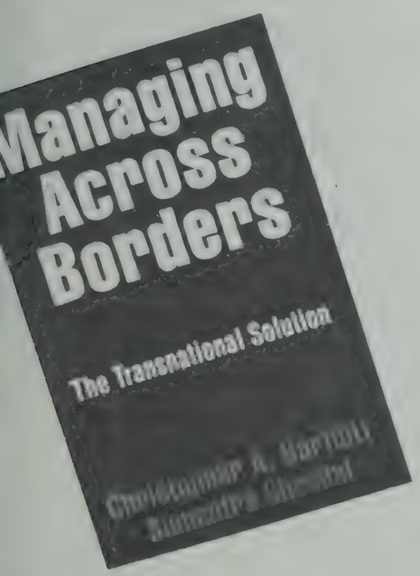
Unit No. 11, Electronic Sadan-2 M.I.D.C., Bhosari, Pune 411 026. Tel No: 390361 Tlx: 146-245 IFPN IN.

IRIS/IEI/90/2



Bombay: 4949107/6325628 Bangalore: 266026 Madras: 865916 New Delhi: 618830 Baroda: 324532

ıe global manager's guide



AGING ACROSS BORDERS. THE SNATIONAL SOLUTION
ristopher A. Bartlett and Sumantra hal
ard Business School Press, Boston, achusetts. pp 275

nal borders are no longer a major raint in the free flow of goods and es. Currencies are freely convert- People are moving at supersonic l. Information is being transmitted s the globe almost instantaneously. does a business organise itself to with this change? The job has become omplex, a transnational one. That is the study by Bartlett and Ghoshal ls. Their objective is not only to re- the core findings from a five year of nine of the world's largest corpo- ns, but also to provide practising agers with specific guidance and rec- endations.

answers

of the salient features of this book is the authors have asked a number of ions. But unlike Socrates, they have ried to answer them. They tell us how ushita could evolve in just two de- ; from a medium size manufacturer ctrical products for the Japanese do- c market to a $20 billion global com- the undisputed leader in the umer electronics industry. And, why os has found it so difficult to adjust to ndustry changes. Or how Sweden's son has enhanced its position as a r in the telecommunication switch- usiness. While the reader has to make ous study of the book to fully grasp the diverse strategies underlying the answers, one thing is crystal clear: some companies failed in their international operations not for want of a strategy; they lacked the organisational capability to achieve it.

The nine companies studied are General Electric, Procter and Gamble, ITT, Philips, Unilever, Ericssons, Matsushita, Kao and NEC. The authors have used a matrix to look at the critical success factors. They examine the dominant strategic requirements of an industry — ability to respond to a national environment, global efficiency, and ability to transfer knowledge across the globe. Against these, they match the strategic capability of a company. For example, the authors found that Unilever has great strengths in responsiveness and since this was a requirement of the branded packaged goods industry as well, there was a natural fit. With Matsushita too, the industry requirement was global efficiency, and the company had it; again a natural fit.

That was in the past. The authors argue that in future in order to be successful as a global player, the same company will have to acquire all the strengths — for instance, responsiveness, efficiency and learning capabilities — in varying degrees. For example, in the branded packaged goods industry, while national responsiveness and differentiation remain critically important, global efficiency and worldwide innovation have become increasingly feasible and necessary. The requirements are thus no longer unidimensional.

So the organisation has to pass through yet another stage of evolution to be able to survive and prosper in the new environment. Is it easy? The authors have produced much evidence to prove that it is not. All evolutions have been painful. So will this, but it seems inevitable.

Challenge of change

The first task, of course, is to overcome the resistance to change. Every company has "its own way of doing things", shaped by its own heritage, which cannot be changed overnight by management decree. There are also issues of national culture. The authors must be complimented for the thoroughness with which they have looked at each company and how it has addressed this challenge, clearly bringing out the relative strengths and weaknesses. Whether it is the "functional monarchs" of Kao or the "Dutch mafia" at Philips, it is all a question of people and power. How does one rebalance resources in a changing world is the key question.

A successful transnational company seeks efficiency not for its own sake, but as a means to achieve global competitiveness. It acknowledges the importance of local responsiveness, but as a tool for achieving flexibility in international operations. Innovations are regarded as an outcome of a larger process of organisational learning that encompasses every member of the company. It is neither a process of centralisation nor decentralisation — the authors call it 'selective use of resources'. A subsidiary company could either be a strategic leader or implementer, depending upon its capabilities and the strategic importance of the local area in the overall scheme of things.

So what is the agenda for action? First, look at activities *de novo*: identify the forces shaping the industry structure and competitive environment. Second, look at the fits in a global context. Third, accept that changes are necessary to survive. Fourth, bring about changes in a controlled manner — this may even involve strategic alliances. Fifth — develop and strengthen co-ordinating capabilities and put in place mechanisms for resolving conflicts.

The authors have conceptualised their model with a biological analogy. Formal structure defines an organisation's basic anatomy, system and information flows shape its physiology and culture and values represent its psychology. Change strategies must work through all three elements. Will the perfect creature emerge at this stage of evolution? Only history will tell.

This is a very good book for all those involved in the workings of large corporations. This reviewer strongly recommends this book to policy framers in host countries who are responsible for controlling international investment. The book will tell them what policies are most appropriate for a given country/company. For instance, if India has a large pool of highly trained managers and scientists, why not offer an incentive for setting up an international research and development establishment or a large component factory as a part of the global chain?

■ MATHEW J. PANIKAR

The reviewer is Treasurer, UK and Overseas, Unilever plc.

BACK ISSUES

the India magazine

of her people and culture

If you have missed some of the back issues of **the India magazine** and would like to order them to complete your set, fill in the coupon below and send it to our editorial office in New Delhi.

You can buy these either as individual copies or sets of copies. In addition, complete leather-bound sets, with elegant lettering on the front cover are also available, making attractive additions to any library shelf. Or better still, gift a volume to a friend.

Please send me the following issues ☐ sets ☐ leather-bound volumes ☐ by V.P.P. (postage charges extra). I have ticked ( ) the appropriate box.

Rs. 30 per issue

Feb '81	Apr '81	Jun '82	Aug '82	Jan '83	May '83	Nov '83	Jun '84	Aug '84	Sept '84	Nov '84

Volume V Dec 1984 to Nov 1985
@ Rs. 30 per issue ☐ Rs. 330 per set of 11 issues ☐ Rs. 500 per leather-bound volume of 11 issues ☐

Dec	Jan	Feb	Mar	Apr	May	Jun	Jly	Aug	Sep	Oct	Nov
	*										

Volume VI Dec 1985 to Nov 1986
@ Rs. 25 per issue ☐ Rs. 200 per set of 8 issues ☐ Rs. 370 per leather-bound volume of 8 issues ☐

Dec	Jan	Feb	Mar	Apr	May	Jun	Jly	Aug	Sep	Oct	Nov
	*	*			*	*					

Volume VII Dec 1986 to Nov 1987
@ Rs. 25 per issue ☐ Rs. 250 per set of 10 issues ☐ Rs. 420 per leather-bound volume of 10 issues ☐

Dec	Jan	Feb	Mar	Apr	May	Jun	Jly	Aug	Sep	Oct	Nov
*	*										

Volume VIII Dec 1987 to Nov 1988
@ Rs. 10 per issue upto June 1988 and @ Rs. 25 per issue from July 1988 onwards ☐ Rs. 195 per set of 12 issues ☐ Rs. 365 per leather-bound volume of 12 issues ☐

Dec	Jan	Feb	Mar	Apr	May	Jun	Jly	Aug	Sep	Oct	Nov

Volume IX Dec 1988 to Nov 1989
@ Rs. 20 per issue ☐ Rs. 240 per set of 12 issues ☐ Rs. 410 per leather-bound volume of 12 issues ☐

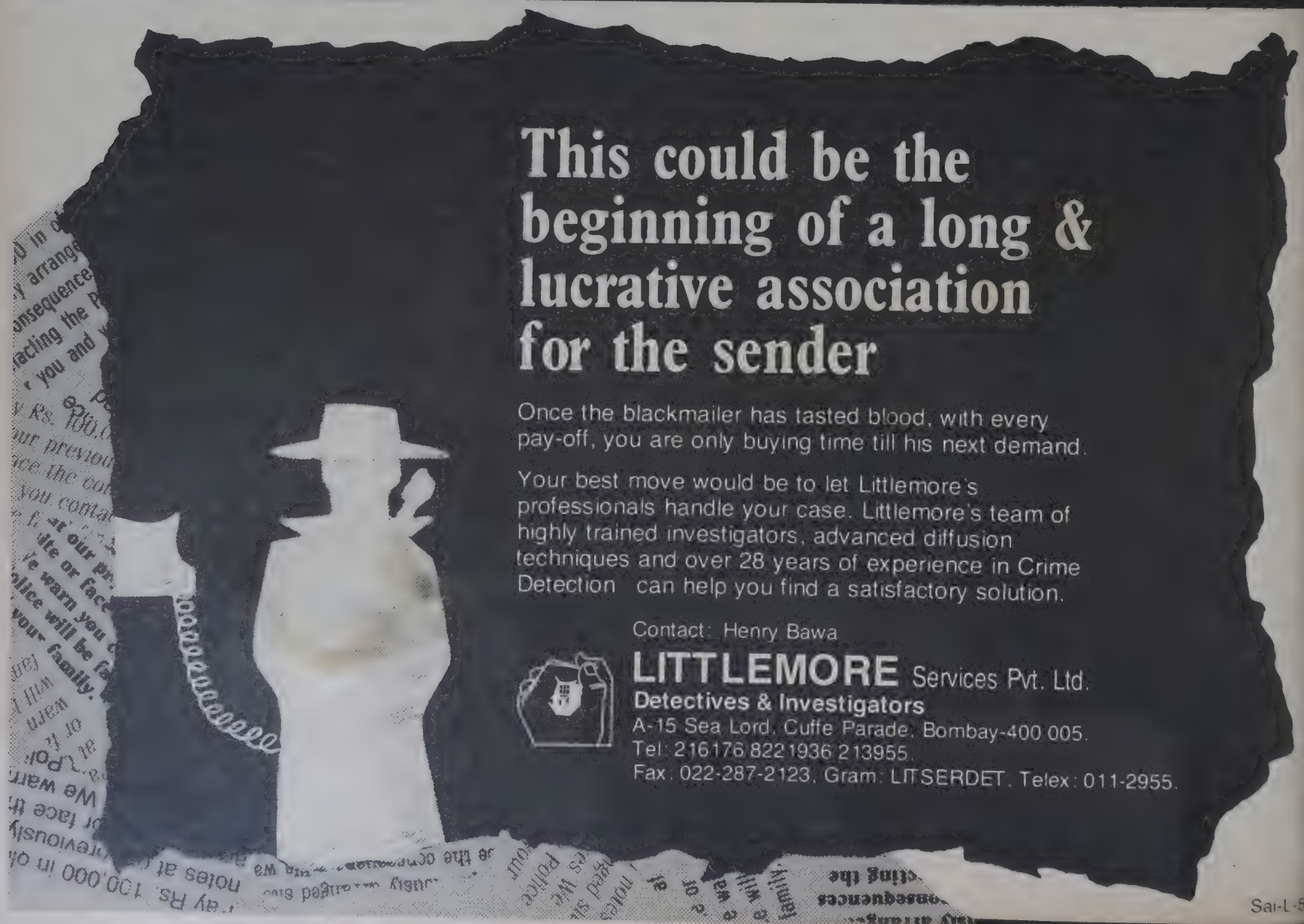
Dec	Jan	Feb	Mar	Apr	May	Jun	Jly	Aug	Sep	Oct	Nov

* These issues are not available

Name: _____

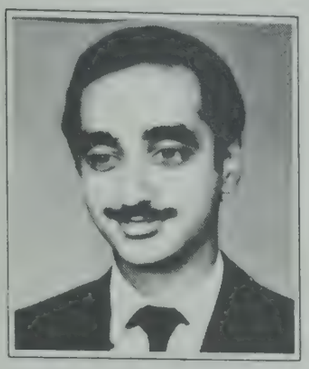
Address: _____

Mail to: **the India magazine,** 59, Regal Building, Connaught Circus, New Delhi 110 001.
(If you do not want to cut the coupon, send us these details on a separate sheet).





ajumdar has
ver as chairman-
anaging director
ital Services
ancy Corporation
Ltd



Nidhipati Singhania has been appointed managing director of Jaykay Tech Ltd.



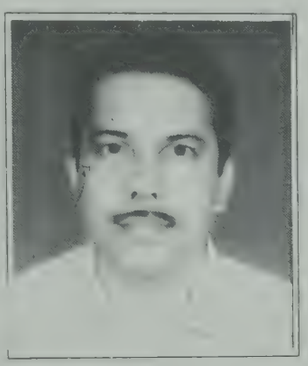
Jagdeesh M. Mehta has been appointed managing director of The National Rayon Corporation Ltd.



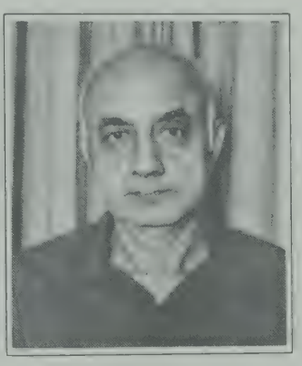
Ashish Kumar Sen has assumed charge as managing director of Housing Promotion and Finance Corporation Ltd.



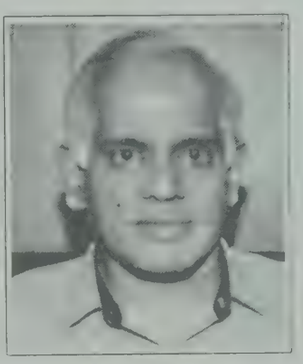
achandran has
ver as managing
r of M.K. Electric
Ltd.



K. Mohanan has joined Canbank Financial Services Ltd as executive vice-president.



K.K. Misra has taken over as executive director of Indian Oil Corporation.



M.P. Ventkataramani has taken over as executive director, finance, of Hyderabad Allwyn Ltd.

ASSOCIATIONS

ichandra H.
has been elected
ent of Plastindia
ation. **Madan Lall**
and **Jayendra R.**
ave been elected
esident and
rer, respectively.

K. Vissanji has
lected president of
uncil for Fair
ss Practices for
2. **N.M. Desai** has
lected vice-
ent.

M. Morarka is the
esident of the
Council of Foreign

Chinubhai R. Shah has been elected vice-president of the All India Management Association.

B.R. Virmani has been elected national president of the Indian Society for Training and Development. **J.N. Amrolia** has been elected vice-president.

Kiran J. Mehta has been elected chairman of the western India regional council of the Institute of Cost and Works Accountants of India. **N.S. Acharya**, has been elected vice-chairman.

P. Mukundan has been elected chairman of the Tamilnadu state board of the All India Manufacturers' Organisation. **R. Viswanathan** and **N.R. Subramania Raja** have been elected senior vice-chairman and vice-chairman, respectively.

K.P. Rao has been elected president of the Greater Mysore Chamber of Industry. **S.K. Sharma** has been elected vice-president.

A.K.A. Rathi has been elected chairman of the Ahmedabad regional centre of the Indian Institute of Chemical Engineers.

U.N. Padiyar has been nominated as director of Karnataka Agro Industries Corporation.

C.D. Bhingarkar has been appointed vice-president, personnel, of Standard Batteries.

J. Mehra has taken over as executive director, works, of Durgapur Steel Plant.

M.V. Purohit has taken over as general manager of National Insurance Company Ltd.

Vice-Admiral R. Prakash Sawhney has been appointed chairman of the Jawaharlal Nehru Port Trust.

Jayati Chandra has taken over as deputy chairman of the Tea Board

Sanjeev Tyagi has taken over as general manager of The Trident, Madras.

S.C. Kakar has taken over as general manager of Bliss Chemicals and Pharmaceuticals India.

V.T. Ramdas has taken over as general manager, sales, at the head office of Indian Oil Corporation's marketing division.

S. Rastogi, **M.A. Ravi Kumar** and **S. Sakhuja** have been appointed vice-presidents of Citibank.

K.S. Narasimhan has taken over as general manager, planning and development, of State Bank of Hyderabad.

Vijay Kapoor has been appointed divisional railway manager, Bombay Central divison, of Western Railway.

A.B. Chakrovarty has taken over as general manager, planning, of State Bank of India's Patna circle.

Satish D. Bangera has been promoted as chief marketing manager of Bell Ceramics Ltd.

Senior executive positions

A compilation of executive jobs advertised in **Business India** other major publications between 30 July and 12 August 1990.

THE FOUR BEST JOBS

- PRESIDENT (Corporate) * New Delhi * *Sal* NS * AGE/QLFN NS * CA or MBA * *Reqd* Management experience in corporate planning and management control systems for the group's textile manufacturing units and profit centres * *Cont* The Advisor to Chairman, Rajasthan Spinning & Weaving Mills Ltd, Bhilwara Bhavan, 40-41, Community Centre, New Friends Colony, New Delhi 110065 (HT - 5.8)
- CHIEF EXECUTIVE (Mini Steel Plant) * Muscat * *Sal* Rs.40-50,000 pm – benefits * *Age/Qlfn* 40-45 years * Qualified engineers * *Reqd* Successful track record in steel plants of this size at an appropriately senior level, right mixture of technical and commercial skills * *Cont* MS/5541, A.F. Ferguson and Co, Post Box 1786, Bombay 400001 (BI - 6.8)
- SENIOR REPRESENTATIVE OF IFC (Washington) * Bombay *Sal* Attractive and not taxable * *Age/Qlfn* NS * PG in economic business administration and finance * *Reqd* 10 years senio level experience in project finance and or merchant banking *Cont* A.F. Ferguson Associates, Hansalya, Barakhamba Roa New Delhi 110001 (BI - 6.8)
- PRESIDENT * South India * *Sal* NS * *Age/Qlfn* Around 45 yea * Engineering and management background * *Reqd* Gener management experience covering manufacturing, marketin and finance * *Cont* The Chairman, Apex Management Consul ing Group Private Ltd, C-1, Rams Square, 2 Village Road, Ma dras 600034 (ToI - 30.7)

NATIONAL

- GENERAL MANAGER (Exports: Pharma-agrochem-dyes) * NS * *Sal* Rs.2 lakh – pa * *Age/Qlfn* NS * Preferably MBA * *Reqd* 5 years experience in senior management position in India/abroad * *Cont* The Director, Armour International, 54-A, M.Vasanji Road, Andheri (E), Bombay 400093 (ToI-30.7)

WEST

- COMPANY SECRETARY * Bombay * *Sal* NS * *Age/Qlfn* 40-45 years * Graduate in law and member of the ICS * *Reqd* Minimum 15 years experience in a reputed public limited company, of which at least 5 at a senior level * *Cont* Dr. R. Banerjee, Consindia Pvt Ltd, Anand Ashram, 2nd Floor, 22 Pandita Ramabai Road, Gamdevi, Bombay 400007 (ToI-6.8)
- CONTROLLER OPERATIONS * Western India * *Sal* Excellent – car – housing * *Age/Qlfn* NS * Graduates in mechanical/chemical/ textile engg/polymer technology * *Reqd* Around 15 years relevant experience of which at least 5 at a senior level * *Cont* Personnel Search Services, 3rd Floor, Sambava Chambers, Sir P.M. Road, Bombay 400001 (ToI -6.8)
- GENERAL MANAGER (Exports) * Bombay * *Sal* Rs.2 lakh – pa * *Age/Qlfn* NS * NS * *Reqd* Minimum 3-5 years experience in a senior management position in leading pharmaceutical export house * *Cont* (MAB-1) The President, Armour Biotech Pvt Ltd, 54-A, M. Vasanji Road, Andheri (E) Bombay 400093 (ToI-30.7)
- TECHNICAL DIRECTOR * Gujarat * *Sal* Rs.5 lakh pa * *Age/Qlfn* 40-50 years * Engineer, preferably chemical * *Reqd* 20 years experience in manufacturing operations of which five should be at a senior level * *Cont* Pratibha Sheth, Executive Director, Shilputsi Consultants, P.B. No 9306, Bombay 400026 (ToI-30.7)

SOUTH

- MARKETING CONTROLLER (Mass Consumer Products) * Delhi * *Sal* Rs.3-4 lakh pa * *Age/Qlfn* Around 40 years * Preferably MBAs * *Reqd* 15 years relevant experience in marketing consumer products, of which at least 5 in a comparative position with reputed organisations * *Cont* MC/8, Onam Consultants Pvt Ltd, 14-D, Basant Lok, Vasant Vihar, New Delhi 110057 (ToI-30.7)

EAST

VICE-PRESIDENT (Exports) * Calcutta * *Sal* NS * *Age/Qlfn* 35-45 years * NS * *Reqd* Proven track record in export development of textiles yarn and fabric, leather, silk products and widely travel in Europe, US and USSR * *Cont* VPE/CA/4021, ABC Consulta Pvt ltd, 6A, Middleton Street, Calcutta 700071 (HT-2.8)

- VICE-PRESIDENT (Marketing) * Calcutta * *Sal* NS * *Age/* 40-50 years * 1st class engineers * *Reqd* 20 years experience leading a team of managers, negotiating and finalising turn projects * *Cont* MS/4246, A.F. Ferguson Associates, Apee House, 5th Floor, Block B, 15 Park Street, Calcutta 700016 (S-3

SOUTH

- GENERAL MANAGER (Sales) * Madras * *Sal* NS * *Age/* Around 40 years * Preferably management postgraduates * *Re* 12 years relevant experience in selling consumer durables. Sho have held senior and responsible position in reputed compani *Cont* GMS/MDS/17, Personnel Selection Division, ABC Cons tants Pvt Ltd, 4 Khader Nawaz Khan Road, Madras 600 (ToI-30.7)
- GENERAL MANAGER (Production) * South India * *Sal* NS * A *Qlfn* 40-45 years * NS * *Reqd* Experience in rubber products ma facturing industry and substantial working knowledge on key gineering and technical aspect. Knowledge of Tamil desirab *Cont* GM/MDS/20, ABC Consultants Pvt Ltd, 4 Khader Na Khan Road, Madras 600006 (ToI-30.7)

OVERSEAS

- GENERAL MANAGER (Corporate Development) * UAE * *Sal* *Age/Qlfn* NS * Engineering graduate preferably with managem qualifications * *Reqd* 15 years relevant experience in the indus of which at least 5 related to manufacturing activities * *Cont* D (P&A), Jumbo Electronics Company, P.O. Box 3426, Dubai, U (ToI-5.8)
- GENERAL MANAGER (Finance) * Muscat * *Sal* NS * *Age/* 35-45 years * CA/MBA * *Reqd* 10 years experience, major part management accounting and control functions, bank finance i large multi-divisional organisation * *Cont* R.C. Vadhar, Chairm Creative Management Consultants, 21 Atlanta, Nariman Poi Bombay 400021 (ToI-12.8)

ecutive positions

TOI — Times of India; *IE* — Indian Express; *H* — The Hindu; *S* — Statesman; *HT* — Hindustan Times; *ET* — Economic Times; *Econ* — Economist; *BI* — Business India

NAL

EF TECHNICAL MANAGER * Bombay * *Sal* NS * *Age/Qlfn* w 35 years * Chemical engineers, preferably with an addi- l qualification in management * *Reqd* 10 years experience in lling commissions and managing large chemical plants * *Cont* General Manager (P&A, PR), Indodil Chemicals Company, 9112, Bombay 400025 (ToI-6.8)

AGER (HRD) * Bombay * *Sal* Around Rs.80,000 pa * *Age/Qlfn* PG in personnel management * *Reqd* Five years experience in ing or a service industry * *Cont* MS/5551, A.F. Ferguson Asso- s, P.O. Box 1786, Bombay 400001 (ToI-30.7)

NT MANAGER * Maharashtra * *Sal* NS * *Age/Qlfn* 35-40 years * ualification in chemical engineering * *Reqd* Adequate experi- in bulk drugs/chemicals manufacturing * *Cont* LBS/151, Per- el Search Services, Regd. Office: 3rd Floor, Sambava mbers, Sir P.M. Road, Fort, Bombay 400001 (ToI-30.7)

NAGER (Information Technology) * Bombay * *Sal* NS * *Age/* 35-40 years * IT professionals with exposure to the latest nology * *Reqd* Experience in implementing on-line integrated ems and managing IT professionals * *Cont* Manager-HRD, doz (I) Ltd, Sandoz House, Dr. Annie Besant Road, Worli, Bom- 400018 (ToI-6.8)

HNICAL SERVICE MANAGER * Bombay * *Sal* Rs.1.5 lakh pa * *Qlfn* Around 35 years * Chemical engineering graduates (spe- sation in rubber technology) or rubber technologists * *Reqd* 8 s experience in a tyre company, preferably in manufacturing, designing, compounding and laboratory testing * *Cont* 5546, A.F. Ferguson Associates, Post Box 1786, Bombay 001 (ToI-30.7)

INDIA MARKETING MANAGER * Bombay * *Sal* NS * *Age/Qlfn* nd 35 years * Preferably MBA from IIMs * *Reqd* Proven track rd in marketing and launching of consumer durables. Expo- to automobile industry preferred * *Cont* General Manager, power Planning and Development, Mahindra and Mahindra Gateway Building, Apollo Bunder, Bombay 400039 (ToI-30.7)

RKETING MANAGER * Ahmedabad/Bombay * *Sal* NS * *Age/* 30-40 years * Engg graduate in ceramics/metallurgy and a PG ification in business management * *Reqd* 10 years of sound erience in field sales * *Cont* Box L 576-U, Times of India, Bom- 400001 (ToI-30.7)

NAGER (Industrial Engineering & Operations Research) * bay * *Sal* Around Rs.75,000 pa * *Age/Qlfn* Below 35 years * PG specialisation in operations research * *Reqd* 5 years relevant erience, particularly in above field * *Cont* Corporate Personnel artment, Glaxo India Ltd, Dr. Annie Besant Road, Worli, Bom- 400025 (ToI-30.7)

NAGER (Electronic Data Processing) * New Delhi * *Sal* NS * *Qlfn* NS * Degree in engineering with good academic record * *d* Minimum five years experience in responsible positions and wledge of Cobol/Dbase. Experience in law will be an advantage *nt* E.C.P. Ltd, D-13/4, Okhla Industrial Area, Phase II, New i 110020 (HT-3.8)

NAGER (Software) * Bangalore * *Sal* NS * *Age/Qlfn* NS * Tech- l background * *Reqd* Should have practical experience in per- l computer networks and computer communications * *Cont* onnel & Productivity Services, 70/1, Basaveshwara Road, ler Road), Bangalore 5600052 (ToI-1.8)

NAGER (Technical Services) * NS * *Sal* NS * *Age/Qlfn* Around ears * Engg PGs * *Reqd* Seven years relevant experience and knowledge of Unix, C etc. * *Cont* MS/5547, A.F. Ferguson Associates, Post Box 1786, Bombay 400001 (ToI-30.7)

INTERNATIONAL

- PRODUCTION MANAGER * Saudi Arabia * *Sal* NS * *Age/Qlfn* NS * Mechanical/electrical/elctro-mechanical engineer * *Reqd* Minimum 5 years experience in a management position. Knowledge of BOPP film production (tenterframe process) * *Cont* Jerry Varghese Consultants, 313 Dalamal Tower, Nariman Point, Bombay 400021 (ToI-5.8)
- MANAGER (Steel Mill) * Ajman (UAE) * *Sal* Rs.25,000 pm – benefits * *Age/Qlfn* 35-40 years * Preferably engineers * *Reqd* Experience in managing a rolling mill and commercial aspects of such an enterprise * *Cont* MS/5543, A.F. Ferguson Associates, P.B. No.1786, Bombay 400001 (BI-6.8)
- CONTROLLER FINANCE * Middle East * *Sal* NS * *Age/Qlfn* 38-42 years * ACA * *Reqd* An accomplished business manager * *Cont* Noble House, Management and Placement Consultants, Post Box 3531, New Delhi 110024 (BI-6.8)
- PRODUCTION MANAGER (Antibiotic Sterile Filling) * Nigeria * *Sal* NS * *Age/Qlfn* Maximum 45 years * B/Pharm/M.Pharm preferred. B.Sc/M.Sc with experience considered * *Reqd* 10-15 years experience in a sterile antibiotics powder filling department of an established pharmaceutical plant * *Cont* CMP/F-4073, Datamatics Staffing Services, Post Box NO.106, GPO, Bombay 400001 (ToI-12.8)
- MARKETING MANAGER * Muscat * *Sal* RO 500 pm – benefits * *Age/Qlfn* 30-35 years * Preferably MBA * *Reqd* Successful track record in marketing and sales of high value consumer durables. Experience in automotive marketing will be an advantage and should have 3 years experience at an appropriate manager level * *Cont* MS/5561, A.F. Ferguson Associates, Post Box 1786, Bombay 400001 (ToI-12.8)
- SALES MANAGER (Auto Parts and Tyres) * Canary Islands * *Sal* NS * *Age/Qlfn* 30 to 40 years * Preferable MBA * *Reqd* 7-10 years relevant experience * *Cont* CMP/F-4076, Datamatics Staffing Services, P.B No.106, GPO, Bombay 400001 (ToI-12.8)





South India **Excellent Terms**

Wanted a President who will be the Chief Executive and the driving force of a large Engineering Unit with an annual turnover of Rs.100 crores — part of a multi-Company, multi-product Group based in South India. The Group is professionally managed and is committed to achieving excellence.

The Company is looking for a leader with a proven track record of getting things done. He should be able to lead the management team on an aggressive path to enable the Company to grow rapidly and double its sales turnover within five years. The job thus provides a unique challenge. He should have had general management experience covering Manufacturing, Marketing & Finance. He will lead a multi-divisional management team. He should preferably be a person with Engineering & Management background. Preferred age is around 45 years.

Compensation package will not be a constraint for an outstanding candidate, and will be in line with the best in the industry.

Applications will be dealt with in strict confidence.

Kindly address your application within 15 days to:

The Chairman,
Apex Management Consulting Group Private Limited,
C-1, Rams Square , 2 Village Road, MADRAS 600 034.

3073

amcon

Glaxo

VICE PRESIDENT - FINANCE

Bombay

Attractive remuneration + housing in South Bombay

Glaxo India Ltd., an expanding multi-product company with an impressive growth record in the Pharmaceuticals and Foods businesses, wishes to recruit a Vice President – Finance.

The incumbent will take charge of the company's finance and accounting, and his responsibilities will include statutory and management accounting, the treasury function, financial systems and internal audit.

Candidates must be Chartered Accountants with at least 10 years of relevant experience at senior levels in finance, preferably with large companies. They must possess the ability to lead a team of professionals. The preferred age group is 43 - 48 years. Growth prospects are excellent.

In addition to attractive remuneration, housing in South Bombay will be offered.

Please apply in strict confidence within 10 days to:

A.F. Ferguson Associates
P.O. Box 1786, Bombay 400 001

giving full details of age, qualifications, experience and salaries drawn. Applications and envelopes should be marked "Ref: MS/5554".

MANAGING DIRECTOR (DESIGNATE)

Textile Mill near Delhi with turnover of Rs. 50 crores would like the services of top class experienced Executive to manage all functions of the business. Technicians with no managerial experience will not be considered. Compensation offered is highest in the industry. Apply

Box No. AA/324/CG/3,
Business India, 59 Regal Building,
Connaught Circus, New Delhi 110 001.

ilputsi

Shilputsi Consultants have been retained to recruit a

GENERAL MANAGER

for DRAGOCO's joint-venture with CHEMPLAST at Bangalore

Chemplast is a fast growing, diversified, professionally managed group with a turnover alongwith associate companies of Rs. 300 crores. They have several tie-ups with world leaders in chemicals.

As part of diversification strategy, they have set-up a joint-venture with Dragoco Gerberding and Co., GmbH, West Germany for the manufacture of speciality aroma chemicals used in the manufacture of flavours and fragrances. Dragoco is among the top 5 in the world in this field, with activities spanning over 24 countries. For this exciting high growth venture, they are looking for a General Manager.

The Job: The General Manager will commission the project and manage the business thereafter, leading a team of highly qualified scientists, engineers and professional managers.

Qualifications: Engineering/Science Graduates with an MBA from any of the premier institutes, with a minimum of 12 years experience in consumer products/speciality chemicals. A strong marketing/commercial background with aptitude for general management is essential.

Age: Around 35 years.

Remuneration: Will not be a constraint for the right candidate.

Please apply in strict confidence to:

Ms. Pratibha Sheth
Executive Director
Shilputsi Consultants
P.O. Box 9386
Bombay 400 026

MAMC

CALLING HIGH PERFORMERS WITH A PROVEN TRACK RECORD

for the post of

GENERAL MANAGER

(Marketing)

Bulk Material Handling Projects

The Company— MAMC is a renowned Public Sector Undertaking engaged in manufacturing and marketing world class mining equipments and a number of diverse engineering products to the core sectors like Coal, Power, Steel and Port. One of its major activities is designing and commissioning bulk material handling projects on turnkey basis. The company has excellent foreign collaborations and its products and services enjoy excellent reputation in the domestic as well as international markets. Being a leading exporter MAMC has a Trading House status. The company has been registering steady growth with the sales turnover increasing to Rs.100 crores from Rs.60 crores in the past five years and is expected to reach Rs.150 crores in the next couple of years.

The Candidate should be a graduate engineer (mechanical/electrical) in the age group 45-50 years, preferably with a diploma in management/marketing. Responsibilities include implementing innovative strategies for marketing and after sales service, handling and preparing detailed tenders and negotiating with the clients. We are looking for high performers with leadership qualities and a proven track record. Minimum experience of 15 years in marketing and associated areas is required, with five years at a very senior level.

The Benefits will be as per rules governing Public Sector Enterprises. The post carries a pay scale of Rs.3000-100-3700 (under revision). The total emoluments at the minimum of the scale will be Rs.5685/- plus attractive perks.

Candidates called for interview will be paid to and fro 1st Class Railway fare by the shortest route.

The Application should be accompanied by detailed bio-data, two passport size photographs, names and complete address of two referees, attested copies of testimonials/certificates, a crossed Bank Draft for Rs.12/- (SC/ST exempted) payable to M/S. Mining & Allied Machinery Corporation Ltd., Durgapur 713 210 and should reach the Personnel Officer, Officers Recruitment Section within a fortnight from the date of publication of the advertisement.

Candidates working in Government/Semi-Government/Public Sector Undertakings must route their application through proper channel

Superscribe on envelope— ADVERTISEMENT NO. OE/PA/4/90

MINING AND ALLIED MACHINERY CORPORATION LTD.

(A Government of India Enterprise)
P.O. DURGAPUR 713 210, West Bengal.

GENERAL MANAGER — PURCHASE

Ashok Leyland, a leader in the commercial vehicle industry, requires a General Manager based at Ennore, Madras, to head the Purchase Function.

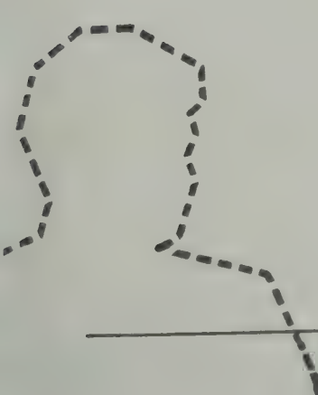
You will be an Engineering Graduate over 45 years of age, with a good academic record and a successful career, having held with distinction senior managerial positions in a purchasing function for at least 10 years.

You will need to have the attributes required to effectively preside over a team of professionals, presently entrusted with the responsibility of purchasing over 10,000 items totalling in value to over Rs.600 crores annually. The activities include continuous vendor development & upgradation and large scale indigenisation.

The position is strongly linked to a key result area and we are looking for an exceptionally bright executive with pronounced leadership and negotiating skills, outstanding comprehension and commercial prescience. You should be a sound judge of people and situations. Compensation will be commensurate with the responsibilities of the job.

If you feel like accepting the challenge of the job, do apply with a well structured and comprehensive resume quoting Ref. No.C-160 to:

General Manager (Personnel)
Ashok Leyland Limited
19 Rajaji Salai
Madras 600 001.



Ashok Leyland

EVOLVING PROFESSIONALS

COMMERCIAL MANAGER

Delhi **Over Rs. 3 lakhs p.a. gross**

The Delhi Flour Mill Company Ltd. (DFM) wishes to recruit a Senior Executive to head the entire commercial function of its flour milling division.

As a result of the complete decontrol of the flour milling industry in 1986 coupled with changes in Government policy tremendous growth opportunities have emerged. As a result DFM's flour milling division has increased turn over from Rs. 23 crores in 1986 to over Rs. 55 crores in 1990 and in this process emerged as the largest milling company in the country. With the existing projects on hand a turnover of Rs. 125 crores is likely to be achieved by 1992.

The Company offers a good professional working environment and exciting growth prospects in a market driven industry. It has ambitious plans for expansion to sustain the existing growth rates.

The selected candidate would be responsible for the entire commercial function of the Division with prime responsibility for the critical activities of sales and wheat procurement. The All India Sales Manager, Materials Manager and Accounts Manager would report to him. Given the market driven environment, he would be responsible for formulating and implementing marketing strategies, market and product development and strengthening the distribution systems. On the procurement side, he would be responsible for development of exisitng areas of wheat supplies and strengthening procurement systems. He would also be responsible for formulating all commercial policies for the business.

Applicants should be MBAs from a premier management institute. They should have had trading experience in the commodity markets, and possess a strong commercial sense coupled with conceptualisation skills.

The compensation package will not be a constraint in attracting the right calibre of professional manager.

Preferred age : 35 to 40

Please apply within 10 days to:

A F Ferguson Associates
Hansalaya
Barakhamba Road
New Delhi 110001

giving full details of age, qualifications, work experience, salary drawn and telephone contact numbers. All applications and envelopes must be marked **'Ref.: MS/4954'.**

SRF

SRF LIMITED
FORMERLY SHRI RAM FIBRES LIMITED

SRF is a growth-oriented group with an enviable track record. The group turnover from a diverse product range, including nylon industrial yarns and fabrics, engineering plastics, fluorochemicals, bearings, auto-electricals and financial services, is expected to cross Rs. 250 crores in the current year.

Inhouse R&D was identified as a thrust area in SRF way back in the early eighties. Substantial investment in a state-of-the-art R&D Centre at Madras culminated in a series of break-throughs and SRF won the National Award for Inhouse R&D in1988.

In keeping with its ambitious growth/diversification plans in the area of fluoro/chlorochemicals, SRF is in the process of setting up a new R&D Centre at its fluorochemicals complex, near Delhi.

To head the above Centre, we are now looking for

CHIEF OF R&D

The incumbent, aged between 35 to 45 years, would be responsible for applied research in the area of fluorochemicals, and other halogen chemicals such as fluorine intermediates, CFC substitutes, speciality chemicals and fluoropolymers.

The selected candidate would be required to build and lead a team of result oriented scientists and technologists. We are looking for an outstanding professional who can deliver results as per agreed objectives and impart a Profit Centre orientation to R&D.

Applicants should have a doctorate in chemical engineering/organic chemistry, with a rich experience in industrial R&D establishments/laboratories, with commercial orientation, of which atleast 5 years should be in a senior position along with administrative responsibilities. Proven experience of commercialisation of products based on inhouse R&D would be an added qualification.

This is a senior management position with an excellent compensation package, including company car, housing and other perquisites.

Please apply, in strict confidence, within 7 days, superscribing the application and the envelope with "CBG/R&D" to:

Dy. General Manager (Corporate Development)
SRF LIMITED
Express Building, Bahadur Shah Zafar Marg,
New Delhi 110 002.

MULTINATIONAL ENGINEERING GROUP

Delhi

The Indian subsidiary of a world renowned multinational would like to recruit outstanding engineers for the positions outlined below. The company has recently set up its state of the art plant and is now planning to substantially increase its annual turnover from the present level of around Rs. 20 crores with a consequent benefit to its level of profitability.

The Indian company has been chosen by the group to be developed as a centre of technological excellence for a range of products which will in future be designed and developed by it for world markets.

VICE PRESIDENT- GROWTH

Age: 37-42 **Rs. 10000 pm + house, car**

The selected person will be responsible for expansion of the existing plant and for setting up a new division for a new product line.

He will be a mechanical engineer with exceptional technical depth coupled with commercial sense. He must have sound experience of high precision mass manufacture.

SR. MANAGER-TOTAL QUALITY MANAGEMENT

Age: Around 35 **Rs. 5000 pm + house, car**

The selected person will be responsible for the total quality management function which is considered a prime key result area. He will be responsible for working with the rest of the management team in attaining a quantum jump over the already high level of product quality.

Applicants should be mechanical engineers who are obsessed with maintaining high quality standards in all facets of work. Experience in the light engineering industry is a must. Good human relations are essential. Overseas training is envisaged for the selected candidate before assignment to the position.

MANAGER-APPLICATION ENGINEERING

Age: 30-35 **Rs. 4000 pm + house, conveyance allowance**

The responsibilities include product development, modifications to existing products, and value engineering. Applicants must be mechanical engineers, with sound technical knowledge of manufacturing methods and processes and indepth experience of engineering product design and development. The company will send the incumbent overseas for training in the group's design centres.

MANAGER-TESTING

Age: 30-35 **Rs. 4000 pm + house,conveyance allowance**

The incumbent will be responsible for the test laboratories and will be expected to develop tests for new products under simulated conditions. He will be also responsible for obtaining clearances required for entry into the US & EEC markets. Overseas training will be provided by the group.

Applicants must be mechanical engineers, with sound technical knowledge and indepth experience of engineering product design and development. Service experience would be an added qualification.

SHIFT MANAGER-PRODUCTION

Age: 30-35 **Rs. 4000 pm + house, conveyance allowance**

The responsibilities of this position include maintenance of quality standards, achievement of production and rejection cost targets.

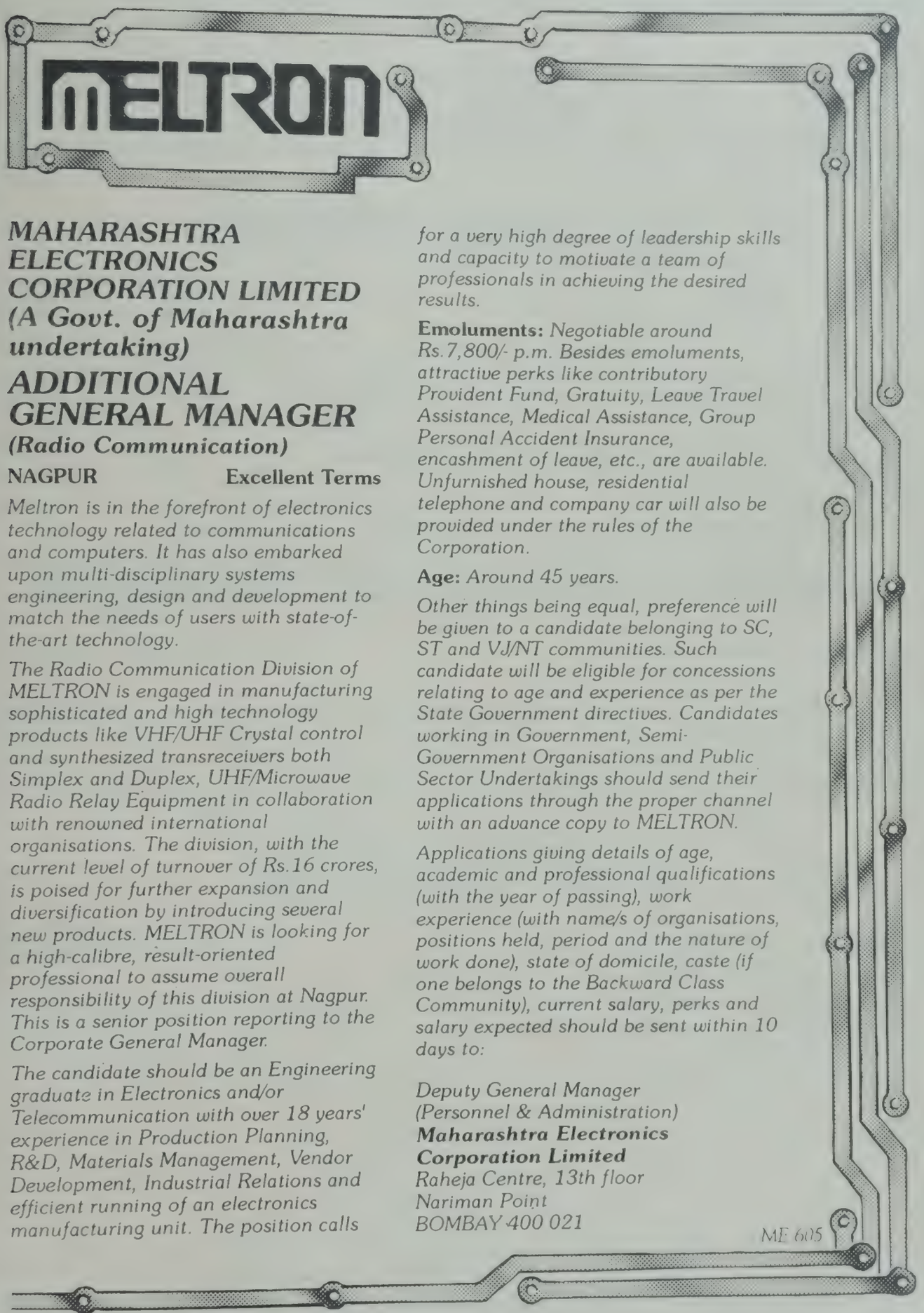
A mechanical engineering degree, sound technical knowledge and an ability to motivate and work effectively with people are considered essential.

In addition to the salary and perquisites indicated above there are other benefits such as leave travel, medical, retirement benefits, etc.

Please apply in strictest confidence, mentioning contact telephone numbers, within 10 days to:

MR. ASHOKE BAHL
Director

MANAGEMENT SERVICES GROUP
Marble Arch
9 Prithviraj Road
New Delhi-110011



MAHARASHTRA ELECTRONICS CORPORATION LIMITED (A Govt. of Maharashtra undertaking)

ADDITIONAL GENERAL MANAGER

(Radio Communication)

NAGPUR **Excellent Terms**

Meltron is in the forefront of electronics technology related to communications and computers. It has also embarked upon multi-disciplinary systems engineering, design and development to match the needs of users with state-of-the-art technology.

The Radio Communication Division of MELTRON is engaged in manufacturing sophisticated and high technology products like VHF/UHF Crystal control and synthesized transreceivers both Simplex and Duplex, UHF/Microwave Radio Relay Equipment in collaboration with renowned international organisations. The division, with the current level of turnover of Rs.16 crores, is poised for further expansion and diversification by introducing several new products. MELTRON is looking for a high-calibre, result-oriented professional to assume overall responsibility of this division at Nagpur. This is a senior position reporting to the Corporate General Manager.

The candidate should be an Engineering graduate in Electronics and/or Telecommunication with over 18 years' experience in Production Planning, R&D, Materials Management, Vendor Development, Industrial Relations and efficient running of an electronics manufacturing unit. The position calls for a very high degree of leadership skills and capacity to motivate a team of professionals in achieving the desired results.

Emoluments: *Negotiable around Rs.7,800/- p.m. Besides emoluments, attractive perks like contributory Provident Fund, Gratuity, Leave Travel Assistance, Medical Assistance, Group Personal Accident Insurance, encashment of leave, etc., are available. Unfurnished house, residential telephone and company car will also be provided under the rules of the Corporation.*

Age: *Around 45 years.*

Other things being equal, preference will be given to a candidate belonging to SC, ST and VJ/NT communities. Such candidate will be eligible for concessions relating to age and experience as per the State Government directives. Candidates working in Government, Semi-Government Organisations and Public Sector Undertakings should send their applications through the proper channel with an advance copy to MELTRON.

Applications giving details of age, academic and professional qualifications (with the year of passing), work experience (with name/s of organisations, positions held, period and the nature of work done), state of domicile, caste (if one belongs to the Backward Class Community), current salary, perks and salary expected should be sent within 10 days to:

Deputy General Manager
(Personnel & Administration)
Maharashtra Electronics Corporation Limited
Raheja Centre, 13th floor
Nariman Point
BOMBAY 400 021

ME 605

TCIL-BellSouth Limited (TBL) is a rapidly growing telecom software company with a customer base in India, U.S.A. Mexico and Hongkong, and is poised to enter several other countries as well. TBL has a foreign collaboration with BellSouth Inc., a $28 billion US multinational with worldwide operations. The company offers challenging opportunities for career progression in a multinational organisational culture.

AVP DEVELOPMENT

(MS/4951)

Location : Delhi
Age : Around 35 years

Remuneration : Excellent (includes house & car)

The incumbent will be responsible for the development of products and solutions for specific segments in the market and for key customer accounts of the company. Reporting to the Managing Director, he will be responsible for the evaluation of new product ideas, cost effective management of the design and development activities and project schedules.

Candidates should have strong leadership and conceptual skills combined with a sound technical background in communication and application software.

They should be atleast a B.E./B.Tech in computer science/electronics/communication with a minimum of 10 years experience. Candidates with overseas experience will be preferred.

PRODUCT MARKETING MANAGER

(MS/4952)

Location : Delhi
Age : Around 30 years

Remuneration : Excellent

Reporting to the AVP Marketing the incumbent would be responsible for business development, positioning and pricing of software product/services, developing sales and support programs and coordinating the development and marketing activities.

Candidates should be MBAs with an engineering background, and have 7-8 years experience with atleast 2 years in selling solutions in the field of computers/communication.

SALES EXECUTIVE

(MS/4953)

Location : Delhi, Bangalore
Age : 25-28 years

Remuneration : Excellent

Incumbents would report to the AVP Marketing and would be responsible for achieving sales targets in products and services, business development through customer contact, demonstration, feasibility reports etc.

Candidates should be engineers with 3-5 years experience in selling related products/services.

Please apply within 7 days to:

A F Ferguson Associates
Hansalaya
Barakhamba Road
New Delhi 110 001

giving full details of age, qualifications, work experience, salary drawn and contact telephone numbers. All applications and envelopes must be marked with relevant **'MS' reference numbers.**

FEDDERS LLOYD

We are a fast growing professional multi-product organisation and one of the leaders in the Airconditioning Industry, moving towards market dominance in consumer durables. Our ambitious expansion programme includes setting up of a modern Project at NOIDA

For the above we are seeking a

PROJECT MANAGER

His responsibilities will include setting up of the Project (from the construction stage onwards), identifying, procuring and commissioning plant and machinery, manpower planning and recruitment and overall Administration of the Plant, ensuring high quality, high volume production with optimum productivity.

The ideal candidate will be an Engineer preferably with an MBA with 10—15 years of experience in more than one function. Experience in setting up of a project in a medium size industry is a MUST.

The position reports to the Managing Director.

In order to run our Service Division effectively as an independent profit centre, to provide total customer satisfaction and gear up to serve the company's ever expanding diversification into other consumer durables we require a

GENERAL MANAGER-SERVICE

His responsibilities includes planning after-sales service policies and implementation, MIS, man-power planning and recruitment apart from ensuring profitability.

The ideal candidate would be an Engineer preferably with an MBA with 10—15 years of experience in Service. Should have independently looked after Service function, preferably at a National level for atleast 3—5 years.

The position reports to the Executive Director Marketing.

For the above positions salary and top management perks will be better than the best in the Industry.

Please apply in confidence within 10 days to the

· GENERAL MANAGER (HRD) ·

FEDDERS LLOYD CORPORATION LTD.

159, OKHLA INDUSTRIAL ESTATE

NEW DELHI-110 020.

BBAA-FL 04-8 90

Key Posts in Two New Breweries

The House of Khodays is a multi-crore group with interests in engineering, construction, electronics, agro-industries, bottle manufacture, fast foods, soft drinks, transport, shipping, travel, finance, hospitality, exports, business services and liquor.

Khodays are one of India's foremost distillers, brewers and maltsters with ambitious plans for expansion. Steps have been taken to establish new manufacturing facilities in different states. Two breweries, one each in Rajasthan and Maharashtra, will soon become operational.

To run these units, Khodays require the experience and expertise of high-calibre professionals.

Production	Code
1. Chief Brew Master	CBM
2. Brewing Consultants	BC
3. Assistant Brew Masters	ABM
4. Chemical Engineers	CE
5. Refrigeration Engineers	RE
6. Electrical Engineers	EE

Administration	Code
1. General Manager (Brewery)	GMB
2. Manager (Sales Co-ordination)	MSC
3. Manager (Administration)	MA
4. Assistant Manager (Personnel)	AMP

The remuneration package for each post compares well with the highest in the industry. The package is negotiable in the case of the two senior positions in production. (1 and 2).

Applications superscribing the code on the envelope along with a detailed bio-data and a recent passport size photograph should reach the Vice President within 10 days.

All applications will be kept strictly confidential.

The Vice President
Khoday Brewing and Distilling Industries Ltd.
P.B. No. 9953
Bangalore-560 009.

ULKA/KAR/03/90

A leading merchant banking and leasing company, which is a subsidiary of a premier commercial bank, wishes to recruit dynamic professionals for various positions to be based at their Corporate Office in Bombay.

FINANCE MANAGER CUM COMPANY SECRETARY

MS/5550

Around Rs. 1,00,000 p.a.

The Finance Manager cum Company Secretary will be responsible for the Finance & Accounting functions, financial planning and management accounting in addition to all standard secretarial functions. He will report to a General Manager.

Applicants must be outstanding chartered accountants who are also qualified company secretaries preferably with a degree in law with atleast 5 years well rounded experience in finance and accounting besides a thorough exposure to legal and secretarial work and taxation. Experience in a financial services company would be an advantage.

This is a senior position and the company would be willing to consider assistance for housing in exceptional cases.

MANAGER (HRD)

MS/5551

Around Rs. 80,000 p.a.

The Manager (HRD) will head the personnel and HRD functions in the company. This would include recruitment, training, counselling and implementing a performance appraisal and career planning system besides standard personnel activities.

Applicants must have a post graduate degree in personnel management from a reputed institute/university and a minimum of 5 years experience in banking or a service industry. The company considers HRD as a vital function and is looking for innovative approaches to the function.

DEPUTY MANAGER (LEASING)

MS/5552

Around Rs. 65,000 p.a.

The Deputy Manager will be responsible for developing appropriate leasing packages and marketing them besides appraisal of clients proposals and administration of leasing.

Applicants must be post graduates in management with specialisation in finance or ACAs/CFAs with atleast 3 years experience in a reputed leasing company or a financial institution.

In addition to the remuneration indicated, candidates will be entitled to provident fund, medical and leave travel facilities as per Company's Rules. Candidates who are able to make their own residential arrangements in Bombay will be preferred. Growth prospects are good.

Please apply in strict confidence within 10 days to:

A. F. Ferguson Associates
P.O. Box 1786
Bombay 400 001

giving full details of age, qualifications, experience and salaries drawn. All applications and envelopes should be marked with relevent MS Nos.

BAMBINO

REQUIRES

MARKETING MANAGER

Hyderabad **Attractive Terms**

We are a fast growing professionally managed group of Companies with diversified activities in the field of Food Products, Health Care and Tobacco.

The incumbent reporting to the General Manager (Marketing) will have the overall responsibility for the sales and marketing functions. His responsibilities would include developing and implementing marketing strategies and plans, launching of new products and establishing an effective distribution network. The Company looks for strengths in the areas of man-management, planning, co-ordination, analysis and innovative thinking.

The ideal candidate should be a graduate in the age group of 40-45 with 15-20 years of experience in the marketing of Consumer Products. He should also be highly result oriented with ability to achieve different tasks in a highly competitive marketing environment.

We offer excellent career growth and remuneration. Candidates meeting the above requirements may apply within 10 days with complete bio-data, indicating the salary drawn and expected to :

The Personnel Department
JAYA FOOD INDUSTRIES LTD
Post Bag No . 14, Himayatnagar,
HYDERABAD - 500 029.

MODI XEROX

Modi Xerox is looking for National Sales Manager – Office Supplies

The Company

We are the market leaders in the copier industry with a turnover exceeding Rs 125 crores. We manufacture and market a wide range of copiers, engineering information systems and office supplies through direct selling and a growing dealer network.

The Job

The office supplies business of the company exceeds Rs 12 crores and is poised for a very fast growth. As the National Sales Manager-Office Supplies, you would be responsible for achieving planned Sales targets and increase in market share through a team of Sales Managers operating in regions and a growing dealer network. The job would also involve Sales planning, evolving sales strategies and contributing towards developing market support for achieving market leadership.

The Profile

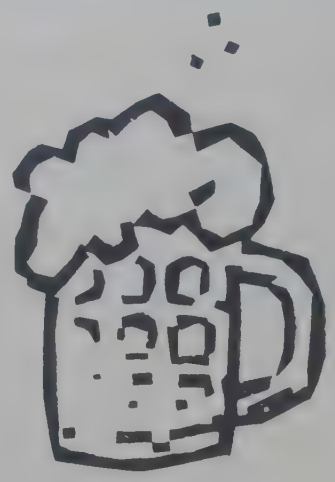
You should be in your early thirties with a proven track record of about 10 years in developing and managing a dealer network in any consumer non durable, consumer durable or office automation industry, preferably with an exposure at a National level assignment.

This is a Senior Management position located at Delhi and the compensation includes company leased house, car, plus attractive performance linked incentives.

If you meet the profile, Send in your application, superscribing the post applied for within 10 days to :

The Personnel Manager – Business Operations
Modi Xerox Limited
33 Community Centre,
New Friends Colony
New Delhi-110 065

O&M/227/1



Can you set up a brewery in record time?

Experts in turnkey projects and suppliers of machinery and raw materials, please contact Khodays today.

One of India's foremost distillers, brewers and maltsters – the House of Khodays – are expanding their manufacturing base and are establishing two new breweries, one each in Rajasthan and Maharashtra.

As these projects are top priority, Khodays invite turnkey experts to immediately send details of their experience and capabilities.

Khodays also invite quotations from manufacturers of malt mills, brew house machinery, fermentation tanks, maturing/lagering tanks, bottling units, water treatment plants, refrigeration equipment, candle filters, sheet filters, carbonation equipment and packaging machinery.

Suppliers of raw materials like hops and malt extracts should also write in.

Please contact:

Mr. S.M. Nadkarni
Khoday Brewing and Distilling Industries Ltd.
P.B. No. 9953,
Bangalore-560 009
Tlx: 0845-8164 KBDI IN

ULKA/KAR/02/90

Circuits

EASTERN CIRCUITS LIMITED

MANAGEMENT EXECUTIVES/ MANUFACTURING ENGINEERS

EASTERN CIRCUITS LTD, a diversified export oriented company, is looking for dynamic executives in corporate finance, materials and marketing fields at middle management level. It is also in search for suitable chemical, mechanical, electrical, electronic and software engineers preferably in the line of Printed Circuit Board/Electronic assemblies manufacture with proven work experience. Result oriented executives with successful track record will see rapid career enhancement to the upper management in a very short time. The postings are likely to be at Delhi, Bombay or Bhopal. The remuneration package is among the best and is likely to be between Rupees Eighty to Hundred Thousand per year. The company competes globally in the services and products and expects its executives to perform at International level of productivity.

Only candidates who have excellent track record in their profession need apply to :

The Personnel Manager
Eastern Circuits Ltd.
H-63, First Floor
NDSE Part-1
New Delhi-110 049

EDP PROFESSIONALS

A large multi-national, multi-unit Engineering Company with a Rs. 250 crore turnover requires computer professionals for its Computer Departments in Bombay, Delhi, Bangalore and Calcutta. All candidates must be First Class Graduates or Post-Graduates in Computer Science, Engineering, Mathematics, Statistics, Business Management or Commerce. Experience of working in computer departments having networked PCs using NOVELL netware, multi-terminal time sharing computer system under UNIX, RDBMS such as ORACLE, INGRESS, SYBASE is necessary. Those with experience of adaptation / implementation of a wide range of software packages would be preferred.

MANAGER EDP (4 POSITIONS)

Minimum 6 years experience in managing all the aspects in a computer department in a reputed organisation is absolutely necessary.

ASSISTANT MANAGER EDP (4 POSITIONS)

Minimum 5 years experience of working as a project leader leading to successful implementation of major computerisation projects is required.

SENIOR PROGRAMMERS (8 POSITIONS)

Programming experience of 4 years in DBASE, COBOL, PASCAL, C and/or 4GLs and writing software for multi-user environment under UNIX / NOVELL netware is absolutely necessary.

CAD PROGRAMMERS (6 POSITIONS)

Should have at least 3 years experience in AUTOCAD and other CAD packages in a mini-computer or workstation environment. Those with experience of machine tool design would be given preference.

PROGRAMMERS (8 POSITIONS)

Programming experience of 3 years or more in the above areas is needed.

COMPUTER TRAINEES (16 POSITIONS)

Should have first class academic career. Knowledge of programming languages DBASE, COBOL, PASCAL or C is essential. Those with some programming experience would be given preference.

Candidates may be appointed in the regular or consultancy cadre of the company depending upon their qualifications, experience and job requirement.

Please apply within 15 days to Box No. AA/325/LG/4, **Business India**, Wadia Building, 17/19, Dalal Street, Fort, Bombay-400 001.

C A N Y O U H A N D L E ?

THE POWER OF NETWORK

Networking is no simple business. It requires a lot of experience and expertise to give people the right connections. Combined with a phenomenal drive and power to sell this system of tomorrow – today.

Join the Company which has brought today's international expertise and technological edge into the Network market in India. MICROLAND. The fastest growing network company in the country.

N E E D S

PRODUCT MANAGER – NETWORKING

Qualifications – Engineer with MBA **Experience** – 3 to 5 years. ■ Familiarity with computers and networking ■ Sales/Marketing exposure **Responsibilities** – Finalising International Agency lines ■ Vendor Development ■ Identifying and launching new connectivity products **Location** – Bangalore.

PRODUCT MANAGER – BANKING.

Qualifications – Engineer with MBA **Experience** – 3 to 5 years. ■ Know ledge of Banking/Financial Institutions ■ Familiarity with computers ■ Sales / Marketing exposure **Responsibilities** – ■ Vendor Development ■ Identifying and launching of products ■ Developing and implementing marketing strategy ■ Divisional profitability. **Location** – Bangalore/Bombay.

SALES/TERRITORY MANAGER – NETWORKS.

Qualifications – (Preferably) MBA **Experience** – 3 to 5 years ■ Sales/ Marketing experience in the computer industry **Responsibilities** – Managing a high calibre sales team **Location** – Bombay /Bangalore/ Calcutta /Hyderabad/ Delhi / Madras.

The positions carry salaries of Rs. 80,000/- plus P.A.

If you have the relevant qualifications & experience apply to the General Manager – Personnel

MICROLAND

L E A D E R S I N N E T W O R K I N G

MANANDI PLAZA 2, ST. MARKS ROAD, BANGALORE-560 001. PH: 211104.

CREATIVE WORKS ML 17/90

INDIA TELE-COMP LIMITED

India Tele-Comp Ltd. is an emerging leader in the field of tele-communications, from the multi–crore diversified Dalmia Group. The Group is expected to touch a turnover of over Rs. 1000 crores by 1992.

PRODUCTS:
INTELLIGENT COMMUNICATION TERMINALS • CORDLESS PHONES MESSAGE SWITCHES • FAX MACHINES

COLLABORATIONS:
BRITISH TELECOM, U.K. • HASLER, U.K. • ATS COMMUNICATIONS, U.K. • TELIC ALCATEL, FRANCE

ITL has a well equipped R & D wing which is recognised by the Department of Scientific and Industrial Research, Govt. Of India.

The company requires competent professionals in the following functions :—

HARDWARE/FIRMWARE ENGINEERS (DEHRADUN)

Must be Graduates/Post Graduates in Electronics and Communications Engineering, with 2-4 years of R&D experience in any of the following — EPABX's, Push Button/Cordless Telephones, Answering Machines, Telex/TP Interface, Intelligent Communication Terminals/Switches, PC-Add Ons. Working experience on PC based development tools and knowledge of 'C' will be preferred.

ASSISTANT MANAGER — PRODUCTION (NON-VOICE) (DEHRADUN)

Will be responsible for System Integration and Testing of Message Switches and Intelligent Communication Terminals of accepted quality against fixed targets. The person should have excellent man management skills, should be adaptable to the constant changes in technology and must possess an aptitude for planning.

Applicants should possess a degree in Electronics and Communications, with about 5 years of experience in production in Telecommunications/ Computer Industry and at least 2 years in Final Testing and Integration of Telecom/Computer Products (like PC s, LANS, MODEMS, EPABXs and allied products). The incumbent will report to the Chief of Manufacturing at Dehradun.

All positions offer remunerations comparable to the best in the industry. Apply within 10 days superscribing the position applied for on the envelope to,

The Manager, Personnel,
India Tele-Comp Ltd.,
Flat No. 204, Aashirwad Commercial Complex,
D-1, Green Park,
New Delhi-110016.



ABC's major specialisations include Corporate Consultancy • Production Planning & Control Systems • Organisation & Methods • SWOT Analysis • Materials Management • Industrial Engineering • Finance •

cibr

CENTRE FOR INFORMATICS & BUSINESS RESEARCH

Centre for Informatics & Business Research has been set-up at Pune by a reputed and well established Industrial Group with the objective of catering to the strategic, tactical and operational information needs of the industry. Initially, the Centre will specialise in Industrial & Rural Research. The Centre is committed to providing high quality client service and will be headed by **Dr. Vasant N. Patankar,** a well-known expert in the field of business research and management services. He will be assisted by a multi-disciplinary research team with excellent infra-structural support facilities.

HEAD-BUSINESS ECONOMICS

He will be responsible for monitoring and analysing economic policies of the government and related global developments to assess impact on business/industry. Other important job functions are carrying out industry studies (including financial analysis) in domestic/international environment and providing economic perspective to Market Research assignments.

The candidate must be a post-graduate in Economics with a very good grasp of Indian Economic environment. A doctoral degree in Economics or qualifications in Statistics/Econometrics will be an added advantage. He should possess a high degree of computer literacy and excellent analytical and communication skills. Age Group : 30-35. Code : BEP/BOM/1172.

HEAD-AGRICULTURAL ECONOMICS

He will be responsible for co-ordinating and guiding all research activities in the area of Rural Development.

The candidate must have a Post-Graduate degree in Agricultural Economics from a reputed institute. Doctoral qualification will be an added advantage. He should have atleast five years experience in this area and must have worked in projects involving agricultural development in Maharashtra. Those with experience in areas associated with rural development will be preferred. He should be thoroughly conversant with rural, socio-economic & market research surveys, Government sponsored rural development programmes , research studies of well-known agencies, marketing of agro-services, etc. Age Group : 30-35 years. Code : AEP/BOM/1173.

HEAD-STATISTICS

He will be responsible for providing support to the research team in the use of statistical techniques and operations research.

The candidate must have a post-graduate degree in applied statistics from Indian Statistical Institute or any other reputed university. He should possess atleast five years experience in designing sample surveys and tabulation & statistical analysis of survey data as related to socio-economic and industrial market research. He should have a good exposure to advanced techniques of statistical analysis involving use of computer. Age Group : 30-35. Code : SDP/BOM/1174.

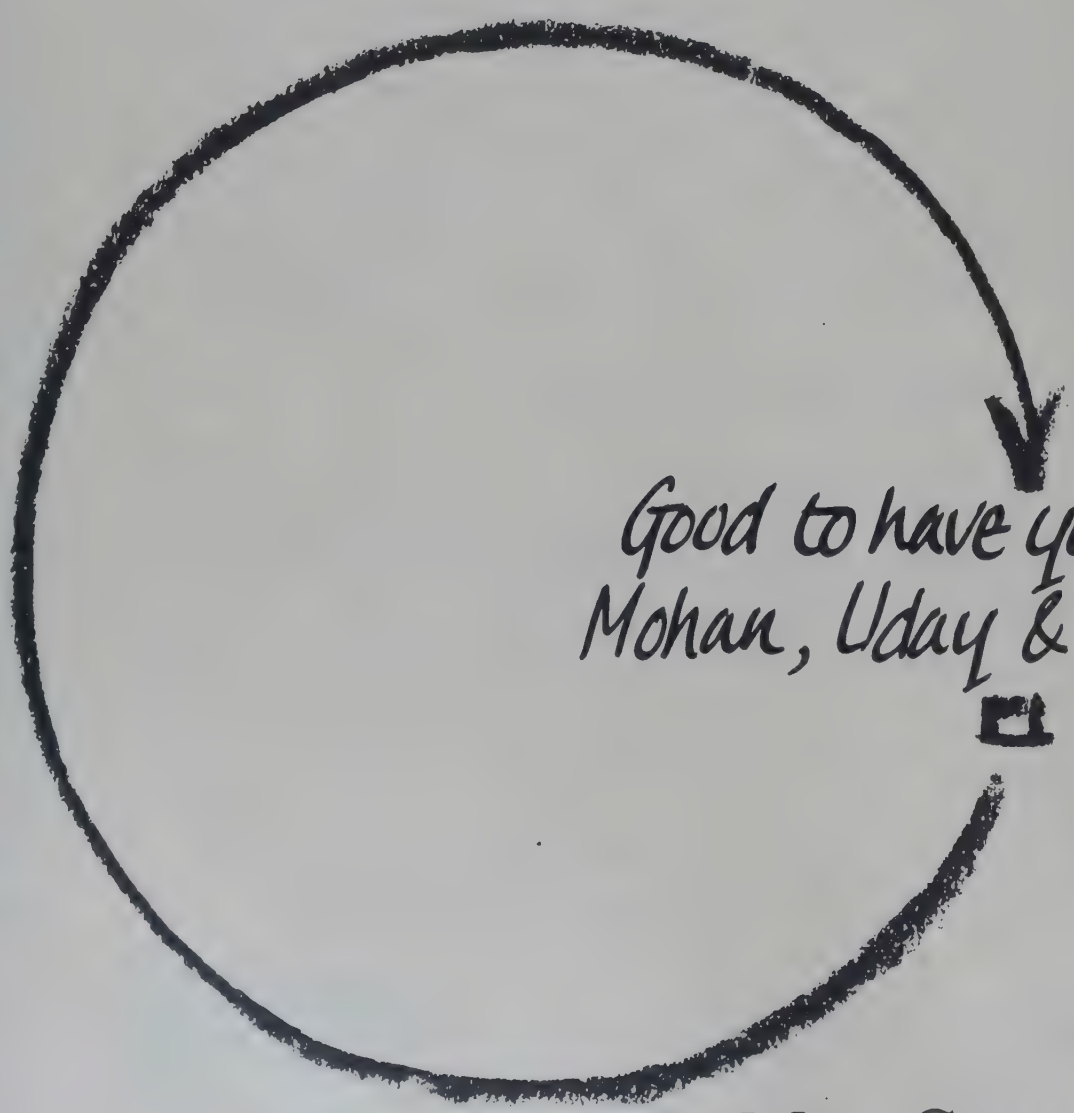
SALARY AND PERKS FOR THESE POSITIONS ARE ATTRACTIVE AND WILL NOT BE A CONSTRAINT.

Write in strict confidence within 10 days, citing relevant code nos.

(Personnel Selection Division)

ABC CONSULTANTS PRIVATE LIMITED

303, Embassy Centre, Nariman Point, Bombay-400 021



Your reasons for leaving may have been as diverse HTA, Contract or Kothari General Foods.

Your reason for coming back is one.

Few agencies today can give you the growth opportunities that MAA Communications can.

And the responsibilities. With the rewards that go with it.

Or the live current of enthusiasm that brings out the best in you.

Even as it stretches you to the last mm.

Our pace tends to spoil people for more sedate agenc

Maybe that's why they all want to come back.

This is a critical phase in the life of MAA Communications.

The organisation is ready as a complete communications house with strategic diversification in Video Production, Direct Marketing, PR, Issue Support Educational Software.

The branch network is complete with full service branches in Delhi, Bombay, Madras, Coimbatore and Bangalore.

More and more national accounts are discovering advantages of dealing with a complete communicati house.

Now we need the people who can lead us into th nineties. Senior Managers, Branch Managers, Group he

To head branches, subsidiary companies and hig powered servicing groups.

And no. You don't have to be an ex MAA ite to ap

Just very very good at what you are doing now.

Write in to
Managing Director,

MAA COMMUNICATIONS PVT. L

MAA House, No. 6, Service Road, I Stage, Domlur Layout, Bangalore-560 071.
Phone: 566084, 570003. Grams: 'Publitas'. Telex: 8172 MAA IN. Post Box No. 7109.

WASAN GROUP

ESTD. 1930

THE PEOPLE WHO AVE INDIA THE SHOE UPPER INDUSTRY

e Wasan Group largest manufacturer porters of shoe uppers — is today a ulti-activity, multi-location and multi-oduct entity, having diversified into e manufacture of finished leather, mplete shoes, leather garments, orts. Shoe Fabric, Trading and Hotels Restaurant — Boutiques. Recipients a staggering 21 awards for excellence exports.

REQUIRE

ENERAL MANAGER OPERATIONS) AGRA

e candidate is expected to manage 5 ctories in Agra, Delhi & Madras with a rect employment of over 1200 people.

will be responsible for quality ntrols, systems, economical ilization of resources and optimum pacity realisation.

will be assisted by qualified & ofessional staff in each unit and three reign Reserve Bank approved offices USSR, West Germany and Bulgaria.

oduct mix is highly integrated and cludes finished leather, shoe uppers, oes & leather garments with an ticipated output of over Rs. 75 crores the current year.

muneration & perks will be at par th the best in the industry.

ply with complete bio-data and ssport size photo within 10 days to :

e Chief Executive

WASAN GROUP

BODIA **AGRA**

MATRIX

MATERIALS

A Company promoted by TATA Industries Limited.

requires:

FINANCIAL CONTROLLER

&

COMPANY SECRETARY

Candidates should have a C.A. or I.C.W.A. with a C.S. qualification. They should have a minimum of 10 years of experience in the areas of Financial Management, Planning, Budgeting, Costing & Control, Liaison with banks/ financial institutions and company secretarial duties preferably in a medium sized engineering/ manufacturing company. The incumbent may also be required to look after Human Resources Management & Administration, Purchase and Invoicing depending on his potential and experience.

Matrix Materials is a Company promoted by Tata Industries Limited. It is entering into a foreign collaboration for the manufacture of state-of-the-art Materials and Composites systems. The plant is in the process of being set up at Bangalore.

In the initial phase the new Company will manufacture products in Advanced Materials and Composites to meet the growing demands of the Aerospace, Aircraft, Defence, Tele-communications & Electronics, Transportation, General Engineering and other industries.

The Company offers a creative and stimulating work environment conducive to growth, in a new and expanding enterprise.

Please write in strict confidence within ten days giving a comprehensive bio-data, to:

The Managing Director
MATRIX MATERIALS LIMITED
4th Floor, Shubharam Complex
144, M.G.Road
Bangalore 560 001.

MAFATLAL FINE

COMPANY SECRETARY

BOMBAY

THE MAFATLAL FINE SPINNING & MANUFACTURING COMPANY LIMITED are in need of a Company Secretary to head the Secretarial Department of the Company. Apart from Company Law matters, the incumbent will be responsible for all other legal matters including MRTP, FERA provisions, etc. as well as for Insurance and Excise Duty.

Applicants should be graduates in law and be members of the Institute of Company Secretaries, with a minimum of 15 years experience in a reputed Public Limited Company, of which at least 5 years should be at a top/senior level. Exposure to computerised Share Accounting will be an advantage.

Remuneration will not be a constraint for a candidate of the right calibre.

Preferred Age: **40-45 years.**

Applications in strict confidence should be sent within a fortnight to:

DR. R. BANERJEE
CONSINDIA
PRIVATE LIMITED
"Anand Ashram", 2nd Floor,
22, Pandita Ramabai Road,
Gamdevi, Bombay 400 007.

LINTAS CPL VAC 53 222

THE UB GROU

R E Q U I R E

MANAGER CORPORATE AFFAIRS

BANGALORE

The UB Group, with a turnover exceeding Rs. 1,000 crores, is one of the fastest growing industrial groups in the country today. The Group has a widely diversified business portfolio, rangin from beer, to hightech fields such as petrochemicals, pharmaceuticals, electronics an telecommunication equipment.

The Group has a common pool of management resources and the team comprises of professiona managers operating in a dynamic environment.

We wish to recruit a Manager – Corporate Affairs, Corporate Communications both internal and external, including advertising and participation i exhibitions and trade fairs. The incumbent shall report to the General Manager – Corporate Affair

Candidates must be high calibre professionals in advertising and marketing. Familiarity with the audio-visual medium and excellent written and or communication skills will be essential requiremer The ideal candidate should have a minimum of 5-7 years experience in a professionally manage organisation.

Preferred age: 30-35 years.

The position offers excellent growth potential, bot within the Division and in the Group. The remuneration package is not likely to be a constraint for the right candidate.

Those interested may apply, within 10 days, givin full details of age, qualifications, experience, sala drawn, etc., to:

Vice President - HRD
THE UB GROUP
UB House
One, Vittal Mallya Road
Bangalore - 560 001

SANDOZ

MANAGER I.T.

Head of Information Technology function at the Corporate Office In Bombay.

E JOB

elopment and implementation of I.T. tegy. Provide a leading edge to the unction by ensuring that the benefits e latest advances in I.T. are available ne Company.

key responsibilities will be providing ership and direction to a team of essionals, interaction with senior agerial personnel across the nisation and communication with sultants at the international level.

E CANDIDATE

professional with exposure to the latest nology and its application in developed nisations.

erience should include leadership role nplementing on-line integrated ems, preferably standard packages, managing I.T. professionals.

: 35-40 years.

position carries an attractive salary perquisites, normally associated a Senior Management position in nternational organisation.

llent work environment and rtunities for personal development.

se apply within 10 days, to:

ager, HRD
doz (India) Limited
doz House,
Annie Besant Road,
i, Bombay 400 018.

Sunflower/SIL/57/90

Advt. No. EGL/Steel II/PP/90

ESSAR STEEL

We are setting up a 100% export oriented Hot Rolled Coils Plant at Hazira, Gujarat. This will be one of the most modern plants for the production of high quality flat products comparable with those supplied by international leaders. State-of-the-art technologies for this integrated plant will be supplied by our world class foreign collaborators. For procurement of materials for this project, we require:

MANAGERS/DEPUTY MANAGERS (Project Procurement)

Degree in Engineering with additional qualification in Business Administration/Cost Accountancy. Should have 10-15 years' experience in procurement of plant, machinery and project materials for large projects, preferably in the steel industry.
Preferred age: 35-45 years.

MANAGERS/DY. MANAGERS (Imports)

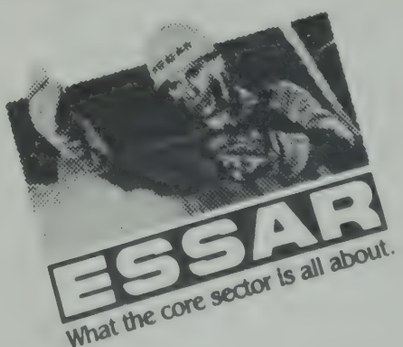
Graduates with around 10-15 years' experience in C.G. Imports and licensing, Customs clearance for 100% EOU, Bonding, Excise, Octroi, Rep. Licences, etc. Should be able to handle above activities independently.
Preferred age: 35-45 years.

Candidates with similar qualifications but lesser experience and preferred age of 30-40 years will be considered for the post of Deputy Managers.

Location: Hazira, Gujarat.

The Company offers attractive terms and good career opportunities.

Please apply within 10 days with detailed bio-data, enclosing recent passport size photograph and superscribing the advertisement number on the application to: General Manager (P & A), Essar Steel, A Divn. of Essar Gujarat Limited, 14th Floor, Maker Chambers No. IV, Nariman Point, Bombay 400 021.



CLEA

GJT

WE REQUIRE
DY. MANAGER (MATERIALS)

THE COMPANY : We are an organisation with a progressive outlook having a team of professionals, and are the largest manufacturer and exporter of quality steel pipes and tubes with a turnover of over Rs. 125/- crores. The Company has plans for substantial expansion on hand.

We offer a stimulating work environment with emphasis on professional excellence, operational autonomy, an open culture and recognition of contribution. Moreover, we have a liberal compensation policy to attract and retain talent.

THE JOB : The incumbent will share overall responsibility for the Materials Function. He would suggest and help develop and implement policies, procedures and systems. Hands on experience in dealing with large Public & Private Sector Organisations for procurement of Steel and Zinc would be an added advantage. Key Result Areas will include helping to develop norms of consumption for various stores items and fix inventory levels.

THE PERSON : He must be around 35 years of age, with a Degree in Engineering, with Post Graduation in Management and or specialisation in Materials Management. Must have about 10 years of post-qualification experience in the Materials Function in a steel based Engineering Company, of which at least three years should have been at a responsible level in the Management Cadre.

Knowledge of import policy and procedures, forex dealings for import, customs and excise regulations and exposure to computerised Materials Management, are essential prerequisites.

The right candidate would be a self-starter, possessing strong commercial acumen and negotiating skills and ability to communicate clearly and precisely. Strong interpersonal and team building skills would be essential for this role.

Please apply in strict confidence within 10 days with your bio-data, specifically mentioning nature of experience, significant contributions made, salary drawn and expected, alongwith a recent photograph to :

THE DY. MANAGER (HRD)
GUJARAT STEEL TUBES LTD.,
4th Floor, Bank of India Bldg.,
Bhadra, AHMEDABAD - 380 001.

SIEMENS

ACCOUNTS AND ADMINISTRATION MANAGER

For our
Regional Sales Office
Calcutta

We are a large multinational organisation in the Electrical Engineering Industry, manufacturing a wide range of electrical and electronic products and systems with a well-established marketing network all over India.

The Candidate will be responsible for regional accounts with special emphasis on debt collection. He would also be responsible for Offic Administration.

We are looking for a dynamic and result oriented Manager who is a Chartered Accountant. He should have had a minimum of 7/8 years post qualification experience in industry handling regional accoun and debt collection. Exposure to computerised system of accountin and MIS will be a definite advantage.

Age : 35–38 Years.

This position is in the Company's Management cadre and carries attractive remuneration package commensurate with qualifications and experience.

Please mail your Resume within 15 days furnishing details and a Passport-size Photograph and superscribing the envelope with the post applied for, to:

Manager–Personnel
Eastern Region
Siemens Ltd.
6 Little Russel Street
Calcutta 700 071

Siemens Ltd.

WIMCO

CO Limited is a multi-national Company
g a diversified product portfolio with
locational manufacturing operations
s a pioneer in Safety Matches, Food
essing and Agro-Forestry. Other major
ties include Engineering and Metal
es. The annual turn-over is about
20 crores.

The Company is looking for

EA SALES MANAGERS
MATCH DIVISION
ndore and other principal cities)

Area Sales Manager is responsible for
eting and sale of Matches in a
gnated area. His responsibilities include
gning sales strategies, achieving sales
ts, motivating and managing a large
sales force, and maintaining good
umer relations.

candidate should be a graduate, around
ears of age, preferably with a post-
uate qualification in Marketing
agement from a leading Management
ute. He should have 3 to 5 years'
rience in consumer product marketing
exposure to field sales management
supervision of field sales personnel.

Company offers an excellent career
rtunity together with an attractive salary
kage. Please apply in confidence, within
ays, mentioning the post applied for on
envelope to :

General Manager-Personnel
Wimco Limited
E-5 Local Shopping Centre
Masjid Moth
New Delhi-110 048.

everest/d90/WL/219

REGIONAL MANAGERS

-at Bombay, Bangalore and other Metro Cities-
Attractive Salary + Car & House Schemes.

We are involved in a vast range of activities – Corporate Consultancy and Training, Software Development and Solutions, Marketing of Software Products and are one of the fastest growing Information Technology Companies in the country, having recorded 80% growth last year.

We are now looking for Regional Managers for our Corporate Services Group at our Regional Offices to manage and lead bright, young teams of technical and marketing professionals and to run the Regional operation as a profit centre. The applicants should be around 35 years old and top professionals with over 10 years experience and a minimum of 3 years experience in the Information Technology Industry.

The positions carry an attractive remuneration package, which includes company leased accommodation and car scheme benefits. Salary will not be a constraint for the right candidate.

Apply immediately in strict confidence, giving your contact telephone number to : The Managing Director, NIIT, NIIT House, C-125, Okhla Phase-I, New Delhi-110020.

NIIT
• Consultancy • Training
• Education • Software

GNFC

GUJARAT NARMADA VALLEY FERTILIZERS CO. LTD.
BHARUCH

Gujarat Narmada Valley Fertilizers Company Limited (GNFC), one of the fastest growing joint sector companies, engaged in the production of Nitrogenous Fertilizers and having diversified into manufacturing of Chemicals, Automobiles and Electronic items, needs for its export marketing activities of Chemicals, Automobiles and Electronic items:

EXPORT MANAGER

The incumbent should be in a position to establish the export section for a large company. The items envisaged to be exported are Bulk chemicals, Automobiles, Electronic items viz; PCB, Telecommunication equipments, etc.

Qualification : Post Graduate Diploma in Foreign Trade from IIFT or Diploma in International Marketing or Diploma in Export Management or MBA or Engineering Graduates.

Experience : Minimum 9 years experience, out of which 5 years should be in a responsible position in the field of exports. The incumbent should have handled various aspects of exports with different agencies viz; CCI & E, Customs, RBI, etc. and should have successfully handled matters regarding export incentives, drawbacks, credits, etc.

The incumbent having dealt with large buyers globally and having international market knowledge will be preferred.

Age : Preferably below 40 years.

GENERAL :
Total emoluments including Basic Pay, DA, HRA would be around Rs. 4,868/- per month at the minimum of the scale of Rs. 2400-115-2975-125-4225. Other benefits viz. Car allowance, Medical facilities, CPF, LTC by Ist class AC Rly./Air, Leave Encashment, Gratuity, Group Insurance Scheme, Pension Scheme, Vehicle Loan, Housing Loan, Furniture facility, etc. are also available as per company's rules.

The pay scale etc. are likely to be revised in near future.

The job specifications may be relaxed in the case of candidates found otherwise suitable.

Persons meeting with the above requirements should send their application with complete biodata to the **Senior Personnel Manager, Gujarat Narmada Valley Fertilizers Company Limited,** P.O. Narmadanagar - 392 015, Dist: Bharuch within 10 days covering the following :

(i) full name (ii) date of birth (iii) present and permanent address (iv) SC/ST/OBC (v) educational qualification — year of passing, percentage and subject (vi) experience - giving the name of organisation, period and position held and nature of functions performed (vii) present salary with pay scale.

Please indicate Advt. No. and Post applied for in the application and also on the Top left hand side of the envelope.

Advt. No. : GNFC/202/90/1.

For Senior Vysya Professionals A path to the Very Top!

A well established Vysya Industrial Group in South India with a track reco of consistent growth, in association w a NRI group is contemplating an OVERSEAS STUDY AND TRAINING PROGRAMME for senior level ambitious Vysya executives.

It is proposed to recognise and rewa these executives/professionals with programme which includes: an award a Senior Management course in a To class University abroad, study schola ships, grants, etc. through a Trust formed for this objective.

Those in the age group of 35 - 50 an oriented to innovative financial, banking and managerial services ma take advantage of this opportunity .

AVAIL THIS GOLDEN OPPORTUNITY

Send a detailed Resume with a passpo size photograph in strict confidence within 15 days to:

The Advertiser, P.B.No.1135, BANGALORE-560 011.

VICE PRESIDENT - FINANCE

A progressive company having its manufacturing facility in South India and branches in North India with a diversified business portfolio of Fertilisers, Pesticides, Agricultural Implements, Seeds and agro inputs with plans to diversify to chemical and petro-chemical industries, wishes to recruit a Vice President to head the Finance Division.

The incumbent will report to the Managing Director and will be responsible for managing the entire financial and accounting functions of the company. The emphasis will be on efficient management of financial resources and ability to deal with financial institutions and banks. He should be capable of training and motivating a team of financial officers spread all over the country. Proven track record in resource mobilisation, working capital management, project finances and evaluation, taxation, management and financial information systems is essential.

Applicants should be Chartered Accountants with a minimum of 15 years post qualification experience of which atleast 10 years should be in a position of senior management. Chartered Accountants with MBA qualification will be preferred. Expected age around 50 years.

Emoluments are negotiable and will not be a constraint for a candidate with outstanding qualifications and experience.

Applications giving full details of age, qualifications, experience, present salary and perquisites with a recent passport size photograph should be sent within 10 days to:
Box No. AA/325/LG/2, **Business India**, Wadia Building, 17/19, Dalal Street, Fort, Bombay-400 001.

ABC's major specialisations include Corporate Consultancy

VICE PRESIDENT— Exports

'e have been retained by a fast expanding & diversified Industrial Group to select a VP-Exports head their Trading Export Division. The position is based at **CALCUTTA.**

e will be expected to double the present turnover within 2 years time. Ideal candidate will be an novative professional with entrepreneurial drive and a proven track record in Export evelopment of **Textiles Yarn & Fabric, Leather, Silk Products** and having exposure to xport of readymade garments to non quota countries and non quota items to quota countries. e should have widely travelled in Europe, USA, USSR. Age Group 35-45.

igh Performer will have excellent growth prospects. Remuneration package will be very andsome and entirely negotiable. Please write in strict confidence to **T Sengupta, Regional anager** within 10 days and mark the envelope & enclosures with job title & code PE/CAL/4021.

(Personnel Selection Division)

ABC CONSULTANTS PRIVATE LIMITED

6A, Middleton Street, Calcutta 700 071

O & M • Technology Transfer • Project Reports

Data Processing • Computer Software Packages • Materials Management

VICE PRESIDENT - MARKETING

A progressive company having its manufacturing facility in South India and branches in North India with a diversified business portfolio of Fertilisers, Pesticides, Agricultural Implements, Seeds and other agro inputs with plans to enter in the agro services, agro-industrial and products area wishes to recruit a dynamic Vice President to head the Marketing Division.

The incumbent will report to the Managing Director and independently manage and be responsible for the entire range of marketing functions involving market research, market development, product and sales promotion, pricing, planning, distribution and logistics management, sales and profitability. He will also be responsible for training of marketing personnel and dealer development. He should be a dynamic and result oriented leader, capable of motivating a team of highly qualified and professional managers.

Applicants should be graduates with a post graduate qualification in Marketing from a recognised University/Institute with a minimum of 15 years post qualification experience of which atleast 10 years should be in a senior management position. Preferred age is around 50 years.

Emoluments are negotiable and will not be a constraint for a candidate with outstanding qualifications and experience.

Applications giving full details of age, qualifications, experience, present salary and perquisites with a recent passport size photograph should be sent within 10 days to:
Box No. AA/325/LG/1, **Business India**, Wadia Building, 17/19, Dalal Street, Fort, Bombay-400 001.

ABC's major specialisations include Corporate Consultancy

SWOT Analysis • Systems & Procedure • MIS

GENERAL MANAGER

Precision Engineering Products

Kharagpur Works **Rs 10,000/- + House + Car + Perks**

We have been retained by India's most dynamic & fast expanding Industrial Group to select a GM for their new engineering project which is being implemented with the help of **World Class Technical Collaborator & Equity Partner.** Investment is around Rs 20 Crores.

The incumbent will report to Managing Director and will have total responsibility for project completion & **management of Kharagpur Works on a Profit Centre basis.** The ideal candidate would be a Mechanical Engineer in the age group 40-45 with proven track record of managing a comparable hitech engineering unit independently. Total manpower strength will be around 250.

High Performers could look forward to rewarding career prospects and quick promotions. Total emoluments will be handsome & negotiable. Please write to **B P Agrawal, Chairman** and mark the envelope & enclosures with job title & code GMEP/BPA/3021. All correspondence should be made through courier mail/speed post and contact telephone numbers mentioned clearly in the bio-data.

ABC CONSULTANTS PRIVATE LIMITED

43/3, Hazra Road, Calcutta 700 01

Data Processing • Computer Software Packages • Materials Management

DEPUTY GENERAL MANAGER

(ELECTRONICS)

Bangalore

Around Rs. 6,500 p.m + benefits

professionally managed electronics company would like to recruit a Deputy General Manager to head its ommunication Systems Division. This division produces and markets a range of Radio Communication quipment.

he incumbent will be overall incharge of the entire division. He will need to specifically co-ordinate production, anning, quality assurance, maintenance and projects.

andidates should be Electronics/Electrical Engineers with at least 10 years' experience in the manufacture electronics equipment. Preferred minimum age is 35 years. Knowledge of Kannada is desirable.

addition to the above salary, benefits include LTA, PF, medical and gratuity. Please apply in confidence giving ll details within 7 days (marked MS/ 5140) to:

A.F.Ferguson Associates
115, Dickenson Road
Bangalore 560 042.

ABC's major specialisations include Corporate Consultancy

SYSTEMS MANAGER

Engineering Company

Kharagpur

Rs 5,000/- + Perks

We have been retained by a reputed, professionally managed, hitech Engineering Company to select an EDP Manager for their **Computer Centre.** Present sales turnover of Rs 20 Crores is slated to double in the next 2/3 years.

The incumbent should be an Engineering Graduate, preferably with Postgraduate Diploma in Industrial Engineering/Computer Science and would have atleast 4/5 years experience of managing an independent PC-LAN-based computer installation catering to inhouse requirements in the application areas of **production planning & control,** financial accounting, information systems, etc. In addition, he must be a **capable manager to get things done.** Please mark the envelope & enclosures with job title & code SMK/BPA/3022. All correspondence must be made through courier mail/speed post and contact telephone numbers mentioned in the bio-data.

ABC CONSULTANTS PRIVATE LIMITED

43/3, Hazra Road, Calcutta 700 019

O & M • Technology Transfer • Project Reports

Data Processing • Computer Software Packages • Materials Management

VICE PRESIDENT - CORPORATE PLANNING

A progressive company having its manufacturing facility in South India and branches in North India with a diversified business portfolio of Fertilisers, Pesticides, Agricultural Implements, Seeds and agro inputs with plans to diversify into the chemical and petro-chemicals fields, wishes to recruit a Vice President to head the Corporate Planning Division.

The incumbent will report to the Managing Director and will be responsible for identification, preparation of Corporate Plans, Project Reports and Feasibility studies and their evaluation and time bound implementation of projects in the field of fertilisers, chemicals and petro-chemicals and allied industries. He should be conversant with the latest trends in technology and processes, environment scanning, perspective planning, MIS, EDP systems etc.. Effective communication skills and sharp business acumen are required.

He should be a graduate in engineering preferably with an MBA qualification with about 15 years post qualification relevant experience of which 10 years should be in a position in senior management with exposure to process, planning, project finance and implementation. Preferred age is around 50 years.

Emoluments are negotiable and will not be a constraint for a candidate with outstanding qualifications and experience.

Applications giving full details of age, qualifications, experience, present salary and perquisites with a recent passport size photograph should be sent within 10 days to:
Box No. AA/325/LG/3, **Business India**, Wadia Building, 17/19, Dalal Street, Fort, Bombay-400 001.

PROJECT DIRECTOR

Attractive Salary + Perk

Our client is a leading hotel group which owns and manages prestigious hotels in India an abroad. The hotel group has planned a major expansion programme for luxury and budg hotels in major Indian cities.

The group seeks a Project Director who will be responsible for all aspects of project management f an individual property and will provide technical and managerial expertise and support. The selecte candidate will be expected to take the initiative in planning, co-ordinating and monitoring the progres of a particular hotel project to ensure its timely and cost-effective completion. Initial placement will b in Bangalore.

Candidates should be civil engineering graduates with 10 to 15 years experience in co-ordinating larg construction projects, project planning and monitoring. Overseas exposure is desirable. The preferre age is between 35 and 45 years.

The salary will be attractive with all perquisites applicable to senior management staff such a company housing, car, retirement benefits, LTA, medical, etc.

Please apply in strict confidence (quoting "MS Ref 5141") giving full details within 10 days to:

A.F. Ferguson Associates, 115 Dickenson Road, Bangalore 560 042.

Our client is part of a large professionally managed business house with diversified interests. It has set up a mediumsized unit to manufacture **PU/PVC coated artificial leather.** The plant is well equipped with the latest state of the art technology and machinery.

To assume overall charge of its plant, the client is looking for a:

CONTROLLER OPERATIONS (Ref: LBS/152)

Western India

Excellent Salary
+ Car + Housing

Incumbent will be responsible for overall plant operations. Must have exceptional leadership qualities and should be capable of building strong and effective teams, conducive work culture and climate. The job will involve product and process innovation as well as efficient planning and control over the entire manufacturing discipline.

Candidates should preferably be graduates in Mechanical/Chemical/Textile engineering/ Polymer technology with around 15 years' relevant experience of which atleast five years' should be at a senior level. Experience as a unit head in a highly professionalised environment is desirable.

Compensation shall not be a constraint for the right candidate.

Please apply in **strict confidence** within 7 days superscribing the envelope with the above ref. no. to:

PERSONNEL SEARCH SERVICES
3rd floor, Sambava Chambers, Sir P.M. Road, Bombay-400 001.
Tel: 2862660, 295963, 2860755, 255476

Clamar

THE PREMIER AUTOMOBILES LTD.

MACHINE TOOL DIVISION

PREMIER AUTOMOBILES LTD., having its Machine Tool Division at Chinchwad, Pune, is setting up an online data processing facility ng its entire engineering and commercial data processing needs, heading towards "COMPUTER INTEGRATED UFACTURING" (CIM)

the Hardware will be a powerful super mini supported by a large number of networked departmental servers and micros in Unix/MS- nvironment, software development MRP - II will be in latest versions of RDBMS in addition to Cobol.

tting up the system department, the company needs the following personnel :

SYSTEMS MANAGER

ications :- Post Graduate/Bachelor's Degree in Engineering or Computer Science.

ence :- 7-8 years in an EDP environment, with the last 3-4 years in a senior position of responsibility.

nsibilities :- Candidate should be dynamic and forward looking with a proven record of achievement. The primary areas of sibility will be :

set up and manage a data processing facility.

ining user department personnel on an ongoing basis.

plementing Manufacturing Resource planning system (MRP II)

nning and integrating CAD/CAM facility to finally achieve computer integrating manufacturing facility system (CIM)

SYSTEMS ANALYSTS

ications :- Post Graduate/Bachelor's Degree in Engineering or Computer Science/C.A./M.B.A.

ence :- 4-5 years in an EDP environment, with the last 2-3 years in a similar position.

nsibilities :- The primary areas of responsibility will be :

have detailed interaction with user departments for defining their needs.

oversee and participate in programme development, testing and implementation.

bove posts are in Managerial Cadre with ample growth potential. The remuneration package includes, besides salary, attractive perks RA, LTA, conveyance Allowance, Superannuation, Provident Fund, etc.

apply with full details within 15 days to :

The Industrial Relations Manager
THE PREMIER AUTOMOBILES LTD.,
Machine Tool Division
Chinchwad, PUNE - 411 019.

"Telecom ministry is not a loss-making one"



The telecom sector has had its share of controversies in the recent past. Here **Janeshwar Mishra**, *minister of state for communications, discusses the major issues involved, in a conversation with* Business India's *Ruchira Gupta*

Are you planning any drastic change in the new telecom policy?
Yes. The main stress is going to be on making telecommunications village-oriented. In the Eighth Five Year plan, we want to provide every village panchayat a telephone. Which means, we have planned to give 5.2 million new telephone connections under the plan.

In the urban areas, we plan to install one public telephone for every 100 homes.

Does that mean the expenses for the installation and the running of these phones will be met by your ministry?
In the poorer sections and in rural areas obviously we will have to install the phones at our own cost. In fact we will give concessions and subsidies till these people get used to owning a telephone and begin using them effectively.

How are you gearing up to provide for this new network?
Manufacturing will obviously have to be stepped up on a large scale. And overall changes will have to be brought in our production sector. Indian factories at present do not have the capacity to meet that kind of demand.

So, for the time being we will have to import components till our research and development wing find ways to meet the requirements here.

How will you arrange the foreign exchange required to develop indigenous technology and import foreign technology at the same time?
Yes, we do have a foreign exchange problem even for developing indigenous technology because developed countries demand payment for knowhow. We have to pay more money for equipment than for components. How to meet this expense is a major problem. But we have to import, at least for the present, to meet the demands for the nation.

Where will you raise the money from?
Normally the money is provided by the consumer. Telephone industry, or let me say, the telecom ministry is not a loss making one at all. So, the more we expand, the more money we raise. We will also go in for market borrowing.

Why have you not yet utilised the loan you took from the World Bank?
Due to laxity, expansion work had slowed down; now it is being speeded up again. In the last 40 years, 4.8 million telephones were installed. Now, in the next five years, we plan to install 5.2 million more. It will be a big leap and so, we will require more loans then.

Are you planning to change the tariff structure on phones?
Yes. Two ideas have been mooted. One is demarcation between rural and urban phones — the suggestion being that telephone rates in very big cities be raised and in rural areas kept nominal. But the argument is not very fair. After all, this is a government facility.
The other categorisation suggested is demarcation of phones for commercial and domestic use. I am more in favour of that.

How will you decide which phone is being used for commercial purpose
Those who apply in the name of a sho company, business establishment o factory will have to pay more. Even th who do not indicate the purpose on th application form will be caught by our officers at the exchange.

When will the perspective plan of th telecom mission be ready?
We are preparing it but it could take some time. There is a shortage of digit exchanges. We have told factories to speed up production of such exchange Once we have enough we can start on t plan.

The three members of the committe to select the director and executive director of C-DoT are all consultant of multinationals. Will they not hav vested interests?
Yes. I did not know they were. Let me look into it.

How will you raise the money for the new technology for upgrading the E-10B exchange?
Through borrowings. But they will be repaid quickly. Our consumer gives money.

Has any guideline been framed for revenue sharing between MTNL and VSNL?
They do have internal squabbles over this. We have to work out something, b as yet, nothing has been framed.

If the E-10B exchange gets upgrade will not C-Dot become redundant?
Why? Both can work together.

What has happened to the CBI inqui against Pitroda?
No results so far.

To what extent will you allow privat sector participation?
Till the manufacturing stage. We have consulted the states and the private sector for joint ventures. We don't wan them to proceed any further in telecommunications because it might harmful from the nation's security p of view.

Are you planning on setting up of MTNL in Madras and Calcutta also?
No, they will not be able to manage. Bu separate corporations are likely. MTNL could give them initial help.

Chopard

GENEVE



GSTAAD **A timeless masterpiece**

„Gstaad« the latest sportswatch created by Chopard. A unique combination of centenerian tradition and contemporary design. Available in gold and stainless steel, solid 18 kt gold or enhanced with diamonds, the „Gstaad« watches can be found at:

available at leading jewellers worldwide

address inquiries to
Chopard & Cie S.A., 8, rue de Veyrot, 1217 Meyrin-Geneve

RN 35850/80

REG. No. MH
SOUTI

Introducing Desalination technologies for salt free water for drinking, process, water re-use



DRINKING WATER FOR THE HOME

Poor rainfall, reduced municipal supply, growing urbanization and population, acute water shortages. To overcome this, people resort to digging tubewells. Rapid water withdrawal has turned underground resources saline making it unfit for drinking.

NUCHEM WEIR now makes it convenient to drink salt free water even for a small group of people. Requiring only a push button start and periodic membrane regeneration, NUCHEM WEIR systems are extremely easy to maintain.



FRESH WATER FROM THE SEA

With over 100 years of outstanding performance in sea water applications worldwide, Weir systems are known for their highest overall cost effectiveness and reliability.

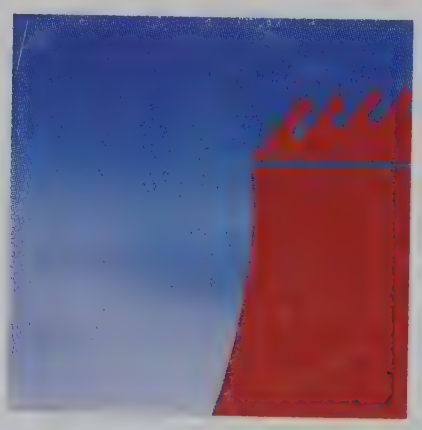
NUCHEM WEIR systems provide drinking water of an unsurpassed quality. Low fouling potential and easy cleaning capabilities mean low maintenance and long operating life. This, plus extremely high salt rejection makes it a superior choice for your sea water needs.



ORGANIC REMOVAL AT LOW COST

To produce high quality drinking water economically, municipalities need to remove dissolved salts and organic material. This can be both difficult and costly.

NUCHEM WEIR systems give you water of highest quality at lower cost because it selectively blocks the passage of impurities, rejecting contaminants but requiring less than half the power needed for operating conventional systems.



HIGH PURITY WATER FOR BOILER FEED OR PROCESS

Conventionally the most economical water treatment technique for boiler feed was ion exchange (IX). But times have changed. Advances made in membrane technology can significantly reduce wa treatment costs in your boiler feed systems.

Using NUCHEM WEIR systems can reduce loading on beds by 98%. Install it ahead of your mixed bed polishers w also extend bed life by removing TOC before it can contaminate your polishin resins. The extremely high silica rejecti of NUCHEM WEIR systems will also contribute to extended bed life and dramatically reduce silica leakage.

WEIR-THE PROFILE OF A LEADER

Weir, world's largest and most progressive manufacturers of desalinati systems, with over 100 years of experience, inventors of Multi-Stage Flash, currently setting up world's large sea water based Reverse Osmosis Plant Bahrain.

WEIR IN INDIA NOW

Weir now ties up with NUCHEM – *Indi pioneering company in Electrodialysis technology and a prime contractor to National Technology Mission on Drinki Water* – to bring a range of technologies solve growing Indian problems in water desalination.

A SINGLE SOURCE FOR ALL DESALINATION TECHNOLOGIES

NUCHEM WEIR, is the only source in t country to offer choice of Desalination Technologies such as ELECTRODIALYSIS, REVERSE OSMOSIS, THERMO COMPRESSION DISTILLATION, MULTI STAGE FLASH DISTILLATION etc. to Indian industry.

Salt free water from sea water, brackish or effluent water for:
Drinking water, Boiler Feed & Cooling Tower Water, Process Water, Ultra Pur Water, Water Reuse, Agricultural Wate and Brackish Water Fisheries.

NUCHEM WEIR

water for life

Nuchem Weir Limited, 20/6 Mathura Road, Faridabad 121006.
Tel: 8285401, 8285402, 8285703, 8285704. Tlx: 034-3232 NUCH IN. Grams: HYPRESS.

ND

Business India

e magazine of the corporate world | September 3 to 16, 1990 | Rs. 7

THE GULF CRISIS
How it will hit us

- The economy
- Expatriate Indians
- The job market
- Kerala's tragedy

INSIDE

Grasim's grand plans
Beleaguered Nelco
Bank Mutual Funds
GKW's come-back



Zodiac for Hans Schmidt

The latest to capture the imagination of the Germans is not automobiles.

At 220 km/h, the Germans are sitting up and noticing the fastest moving fashions to hit the road. Zodiac. Exported to Europe's leading fashion houses. The international look of the season is now parked in India. Slip into gear. And you'll appreciate why Herr Schmidt now chooses to test drive the latest - Zodiac.

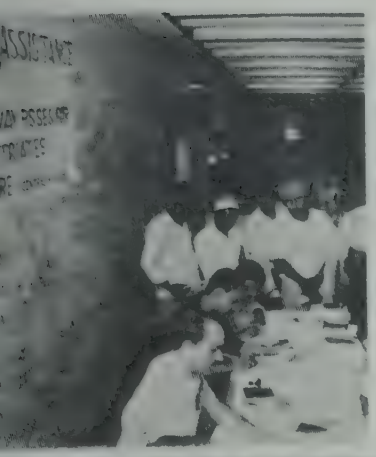
The soul of Europe. The spirit of Zodiac.

Z O D I A C

SHIRTS TROUSERS TIES SOCKS BELTS WALLETS HANDKERCHIEVES

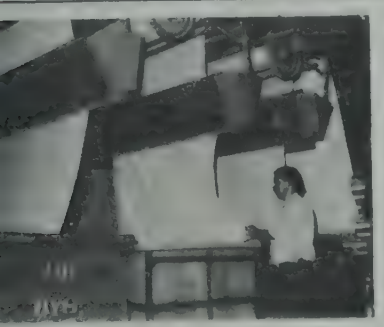
Only 10% of Zodiac's total production is sold in India

12 SEP
C.F.T.R.I., MYSORE



COVER FEATURE

58 THE GULF CRISIS: How it will hit us
Even if India has managed a facade of political neutrality in the current Gulf stand-off, it cannot escape the economic consequences. The repercussions are widespread, affecting the Indians in the region, the overseas job market, the Indian economy and states like Kerala



CORPORATE REPORTS

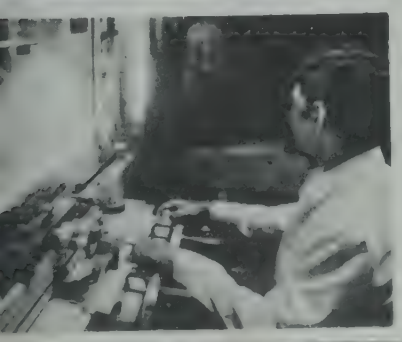
66 GRASIM INDUSTRIES
The grand game plan
After a few bad years in the early eighties, the Birla flagship has forged ahead in every area of operation, and the company's fortunes appear to be assured of further growth



73 NELCO
Seeking a focus
The first to enter almost every hi-tech field in electronics, this Tata company has been let down by poor marketing and operational management, and the lack of a proper marketing base, but is now changing its strategy to improve its position and move into high value-added areas



79 KMML
Looking for cash
The lethargy of the Kerala government and lack of funds has brought this manufacturer of titanium dioxide to a sorry pass, but a deal being negotiated with TOMCO could swing it back into a bold black



85 GKW
Back from the brink
Four loss-making years, a long lockout and an ossified approach to industry had set the company back, but a new management and the sale of a plant achieved a remarkable turnaround. Can it be sustained?



FEATURE

121 Pedigreed prodigals
India-born transnational managers are taking up home postings in increasing numbers, bringing with them an international experience, setting a frenetic pace

10 EDITORIALS
Risking the Mandal Report

Who's responsible for edible oil prices?

The Weighty Eighty on Dalal Street

31 BUSINESS NOTES
Vayudoot's appointment of L.M. Couriers as its exclusive handling agent has been challenged as setting an unhappy precedent

A satellite port has become a necessity as the traffic pattern at Madras has reached saturation point

The vanaspati industry is going through bad times as edible oil prices continue their runaway rise

India's first plastics zone, planned near Ahmedabad, needs various concessions if this good idea is to work

Many Indian pharmaceutical companies have no choice but to diversify, thanks to the steadily declining profit margins in drugs

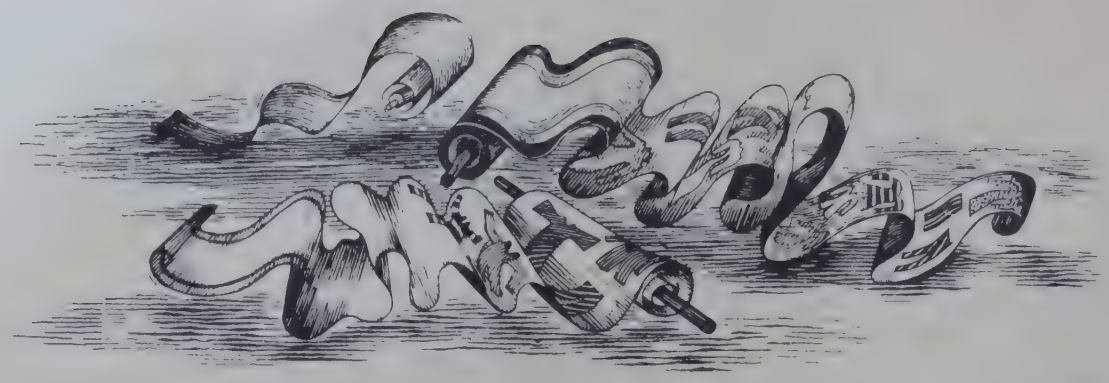
41 FOLLOW-UP
The waiting is over for the Madras-based Binny Limited, with the financial institutions sanctioning a Rs.60-crore package for its rehabilitation and modernisation

139 ENTERPRISE
An accent on quality, technical excellence and a visionary promoter have helped Trinity Forge become a leading player in the forging industry

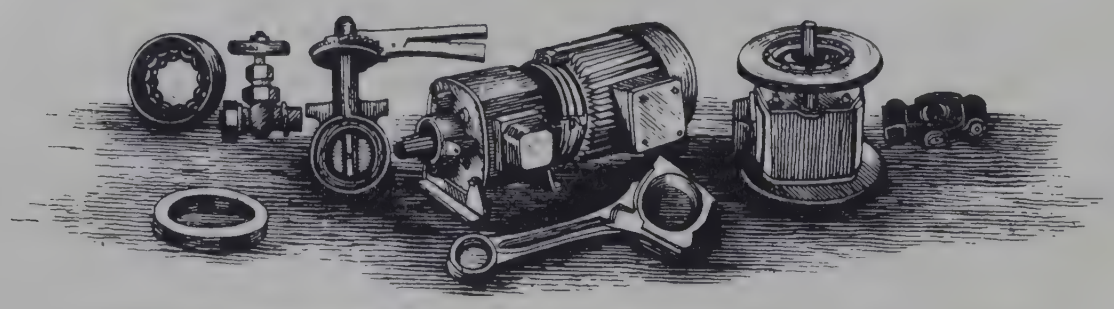
216 INTERVIEW
Bhakta Charan Das, Union minister for sports and youth affairs

97 Advertising
104 Banking
173 Books
31 Business Notes
26 Businessmen in the News
48 Centre
91 Comment
117 Computers
143 Corporate Monitor
66 Corporate Reports
58 Cover Feature
158 Debentures
43 Economic Indices
45 Economic Outlook
52 Economy
10 Editorials
139 Enterprise
175 Executive Ladder
167 Executive Life/Style
121 Feature
99 Finance
41 Follow-up
14 For Your Information
57 Government
169 HRD
119 International
216 Interview
160 Investor Contest
130 Labour
3 Letter from the Publisher
7 Letters to the Editor
16 Listening Post
113 Management
154 Market News
92 Marketing
153 New Issues
18 News and Events
115 Obituary
171 People
165 Professional Profile
176 Reader Service
156 Stockmarkets
137 Telecommunications

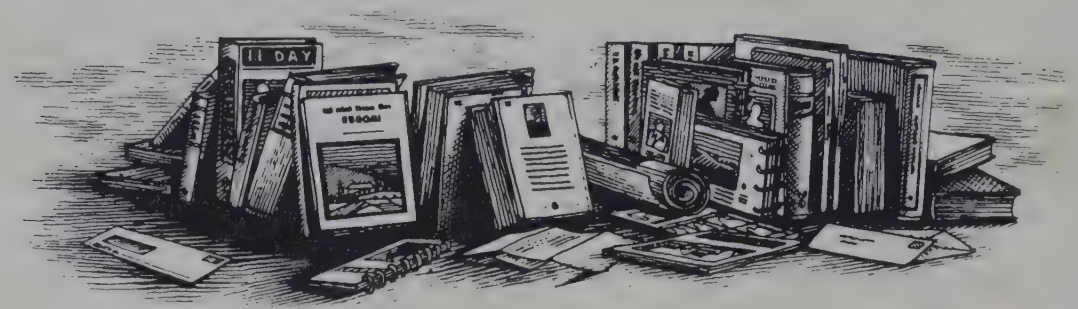
Published by Ashok H. Advani for BUSINESS INDIA, Wadia Building, 17/19 Dalal Street, Bombay 400 001 and printed by him at the Tata Press Limited, Bombay 400 025 and BUSINESS INDIA, care Usha Offset Printers Pvt. Ltd., 125 Govt. Industrial Estate, Kandivli (West), Bombay 400 067. Phototypeset by Business India Photosetters.



IN THE LAST 21 YEARS, WE'VE DELIVERED MILES OF GARMENT SAMPLES.



TENS OF THOUSANDS OF SPARE PARTS OF EVERY TYPE AND SIZE.



HUNDREDS OF TONS OF PRINTED LITERATURE.



AND MILLIONS OF OTHER CONSIGNMENTS.

WHATEVER GAVE YOU THE IMPRESSION WE ONLY CARRY DOCUMENTS?

21 years ago, we pioneered the air express industry. Since then, we've been carrying shipments of all types, shapes, sizes and weight. From the ordinary — such as garments, leather samples and printed literature, to the unusual — such as blood samples and even the occasional pregnant cow. Hundreds of thousands of consignments, door-to-door, everyday. And always, through one network, with one service, and one all-inclusive invoice. The next time you have a shipment to send, why not call us for an immediate pick-up?

We are listed in the Yellow Pages/Telephone Directories.

DHL
WORLDWIDE EXPRESS®
DHL. THE COURIER DIVISION OF AIRFREIGHT LIMITED.

RAKA:3150:A:90

Business India

blisher	Ashok H. Advani
ociate Publisher	Malvika Singh
istant Editors	Naazneen Karmali, Basudev Dass (Bom.) Sushila Ravindranath (Madras) N. Radhakrishnan, Eapen Thomas (Bom.)
ior Correspondents *rrespondents*	Dilip Maitra, Sekhar Seshan (Bombay) K. G. Kumar (Trivandrum) Dharani K. Pani (Madras) Teesta Setalvad (Bombay) Devaprasad Purokayastha (Bangalore) Raju Bist (Bombay) Sumit Ghoshal (Bombay) Rahul Sharma (Bombay) Alpana Killawala (Bombay) Roop Karnani (Pune)
ff Writers	Madhumita Bose (Calcutta) Shekhar Ghosh (Bombay) Gayatri Bhandarkar (Calcutta) Lancelot Joseph (Bombay) Arif Sharif (Delhi)
ief Sub-editor *ior Sub-editor* *b-editors*	F. S. Pinto Tushar K. Das Jayakumar Menon, L. Fernandes Kausalya Vijapurkar
cumentation Head	Anjum Rajabali
otographers	Pankaj Desai, Ravi Patil (Bombay) Sajal Bose (Calcutta)
ecutive Director	Atul Deshmukh
keting Director	Pheroza Bilimoria 2024422/2024424
vertising Manager	Roopina Nicholson 2041974/2253
st. Advt. Manager	Ferzine Esmail (Bombay) 2041974
Advt. Executives	P. L. Baluja (Calcutta) 448455 Minal Jagtiani (Hyderabad)
vt. Executives	Shenaz Rangwala (Bombay) 2041974/2042253 Prabha Nair, Archana Pillai, Ritu Krishna (Delhi) 312485 Sumati Bedi, N. Pankaja (Madras) 474964/860714 Purnima Shah (Bangalore) 265149
bscription Manager	Anita Mehta 274161
gional Sales *presentatives*	S. Ravi N. Iyer (Bombay) 274161 Monisha Mehra (Delhi) 312485 S.S. Kannan (Madras) 474964/860714 Minal Jagtiani (Hyderabad) Purnima Shah (Bangalore) 265149
sign	Trilokesh Mukherjee
st. Art Director	Paulomi Shah Madhvani
sign Team	Raphael Fonseca, Bertie D'Souza, Mukesh Pandya, Andrew Gonsalves
oduction Manager	Henry Serrao
stribution	India Book House Pvt Ltd
gistered Office	Wadia Building, 17/19 Dalal Street, Fort, Bombay 400 001. Tel: 274161/271558
itorial, Marketing, *lvertising &* *lministration* *fice*	Nirmal, 18th floor, Nariman Point, Bombay 400 021 Tel: 204 6236/202 4422/202 4424 Telex: 011 83557 BZIN IN
lhi *fice*	59, Regal Building, Connaught Circus, New Delhi 110 001 Tel: 312485 Telex: 031 61359 NFW IN
adras *fice*	Flat No 4-A JP Tower, 4th Floor 7/2 Nungambakkam High Road Madras 600 034. Tel: 474964/860714 Telex: 041 7118 BZIN IN
lcutta *fice*	Krishna Villa, 100 Park Street, Calcutta 700 017. Tel: 448455

bscription rates (effective 17 September, 1990)

DIA: ANNUAL SUBSCRIPTION Rs. 165

us Rs. 5 for cheques not drawn on a Bombay bank.

ERSEAS (One year only)

rmail only to Pakistan, Bangladesh, Sri Lanka, ghanistan and Burma Rs. 770 or US$55, Middle st, Asia, Europe, Africa & Australia Rs. 1,380 or $95. North and South America Rs. 1,445 or US$100.

eques to be drawn in favour of ***Business India.***

tes include airmail charges.

nsolicited manuscripts cannot be returned unless companied by postage.

LETTER FROM THE PUBLISHER

Of course, the Gulf crisis affects us significantly. Yet, even though there are 170,000 Indians trapped in Kuwait (plus almost 10,000 more in Iraq) there is an almost fatalistic calm in Indian government about the situation. And business seems to carry on as usual. The government, having manoeuvred itself into a neutral position in the on-going stand off, feels it has a political achievement.

Right now, the government is preoccupied with the Mandal Commission and other political manoeuvres. At the same time, our stockmarkets continue to scale new heights.

Can we remain entirely isolated, and play at best a peripheral role? Even with so many of our people stuck in Kuwait and Iraq, neither the US nor USSR (with whom we have a politically important treaty of friendship) seem to have taken us into account in making their moves — let alone taking us into confidence.

So far, fortunately our nationals are safe. But what would happen if the shooting started? What could our government then do to repatriate everyone? Clearly, to bring back tens of thousands is a mammoth national task. Yet the official agencies seem content with the few extra daily flights. Even our sources of information and communications are hopelessly inadequate. It is amazing how little information is available about the situation within Kuwait. There is a complete break down in communication though the government has now, belatedly, set up a postal facility.

To be sure, in the immediate short run, the price of oil has risen. And every dollar rise means an extra Rs.400 crore outflow in foreign exchange. And having thoroughly mismanaged the whole issue of oil (notwithstanding the monopoly profits of ONGC and the distribution companies) the only concern of government seems to be to seize the opportunity to push through some more ineffective measures to cover its complete failure in this key sector. But oil policy is a separate issue on which we will focus in the coming months.

Undoubtedly, we have a very important stake in the peace and security of the Gulf. To start with we have over a million Indians living in the Gulf. This must be our first concern. Also, historically we have had close economic and cultural ties with the entire Middle East. Is it in our national interest or in keeping with our long term security to have foreign forces in the area? And how will a war affect us?

There are no easy answers to these questions. But these are questions that must be discussed and debated openly. It is no use wishing away the issues and continuing with business as usual.

Some issues ago we had alerted our readers to expect changes and improvements in *Business India* . Some new editorial features have been added. And from this issue, for the first time, we have printed some of our editorial pages in colour. This is one of the steps in our efforts to continuously improve *Business India.*

Ashok H. Advani

Let's celebrate the compa

When Simpsons introduced automobiles in India, the concept of mass transportation had already been a reality for years. But across *water* and by *rail*.



The concept of mass transportation by road, on the scale and speed proposed by Simpsons, was revolutionary. The first Simpson-built buses were, by today's standards, slow and ungainly – but they moved people and goods ... and brought a revolution in their wake.

Despite the hills and the heartbreaks, Simpsons gallantly ploughed on. Metal body buses to suit the climate. Coal devices for engines to overcome wartime fuel shortages. Trucks to transport goods – and water. Personnel carriers for the military – and India's earliest specialised motor ambulances.



Simpsons even built and maintained the roads that these machines needed to run on ! Truly, Simpsons helped India roll ahead.

Simpsons today

From crafting horse-drawn carriages, to mass passenger and goods transportation, to manufacturing diesel engines sought after for vehicular, agricultural, industrial and applications. That, in a nutshell, is the Simpsons – from a company of artisan prime mover of industry.

Simpsons : the moving force

A group of companies with a firm commitment to transportation for the i and society. Producing the dozens of c components required to move people a material speedily and safely.

To make Madras the Detroit of In the dream of industrialist Anantharama and Amalgamations ... and Simpsons th that took it to fulfilment. Using the exp and understanding of a century, to seed complex of companies manufacturing c automotive components.

Aided in this era of progress by collaborations with a roster of world re corporations from Europe, the USA an Australia – Perkins, Massey Ferguson, Group, United Engineering & Forgings Moppes, Clevite and Repco. A roster in times expanded to include Yuasa, NPR, Oils and Fats of Japan, SAFT of France Bookers of the UK.

Amalgamations : mass transportation and more

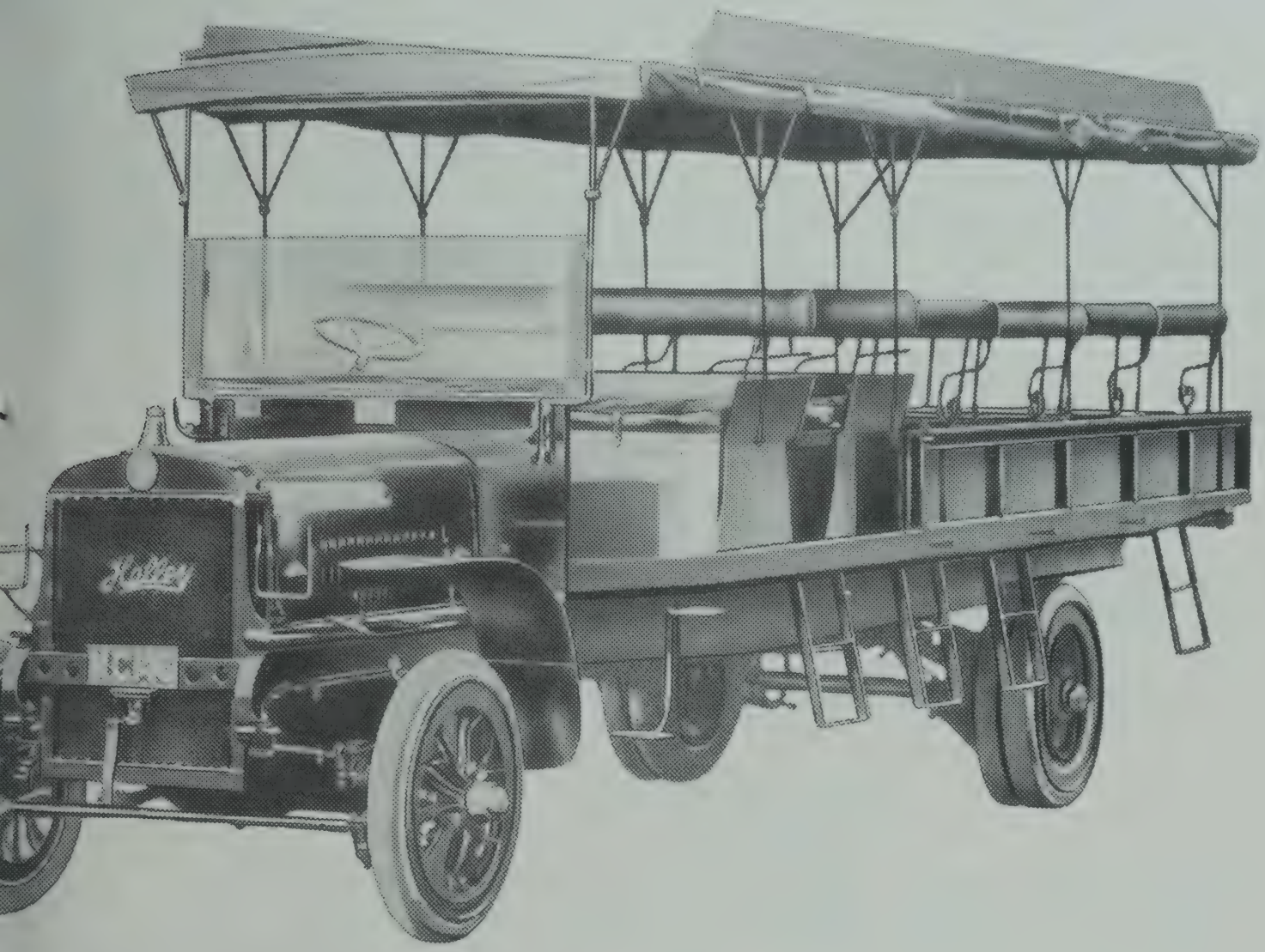
A Rs.720-crore, 29-company congl involved in the automotive and other sec Bimetal Bearings, TAFE, Addison & Co. T. Stanes & Co., India Pistons, Amco Ba Amalgamations Repco, Speed-A-Way, Associated Publishers, Stanes Motors, S Tyre & Rubber, Sri Rama Vilas Service, Wallace Cartwright, Madras Advertising Company ... the list goes on.

And a product portfolio ranging fro engines, tractors, and piston assemblies to crankshafts, clutch products and cutting t And non-manufacturing interests from ty retreading, advertising, hire-purchase / le

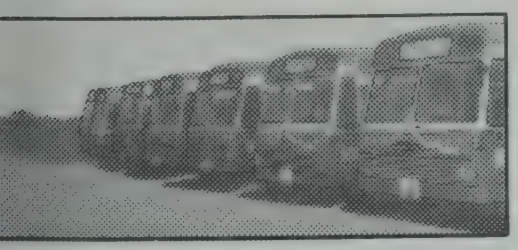
Simpson & Co. Ltd
Madras

AN AMALGAMATIONS GROUP MEMBER

hat helped India catch the bus.



earing and forwarding, and distribution of
cles and automotive parts.



A vision come true. And yet growing. For
can something static be forged on a
mic anvil ?
To predict the future is exhilarating. But to
ally engineer the reality ... that is a reward
easurable in words.

AMALGAMATIONS CELEBRATES
SIMPSONS
150
YEARS
1840-1990

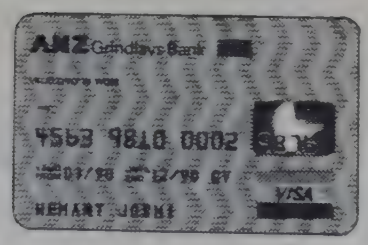
The spirit of enduring enterprise



BUY ALL THIS IN ABOUT 2.5 SECONDS, PAY FOR IT IN AROUND ONE WHOLE YEAR.

THAT'S 3,15,36,000 SECONDS.

THE ONLY CARD IN THE COUNTRY THAT ALLOWS YOU TO
BUY NOW AND PAY IN EASY INSTALMENTS OVER ONE YEAR



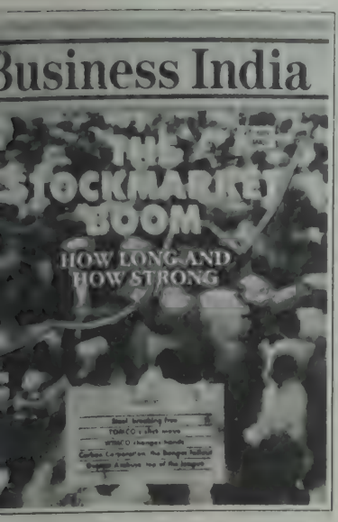
THE ANZ GRINDLAYS VISA CLASSIC CARD

WHERE YOUR CREDIT DOESN'T END WITH THE MONTH

ANZ Grindlays Bank

YOU CAN OWN AN ANZ GRINDLAYS VISA CLASSIC CARD EVEN IF YOU DON'T HAVE AN ACCOUNT WITH US. JUST CALL OR VISIT YOUR NEAREST BRANCH.
AND IF THERE ISN'T ONE IN YOUR CITY, WRITE TO US HERE: CARD SERVICES DIVISION: 90, M.G. ROAD, BOMBAY 400 001. PHONE: 270007/270162.

ANZ GRINDLAYS MAIN BRANCHES: □ BOMBAY – 90, M.G. Road, Ph: 270162. □ CALCUTTA – 19, N.S. Road, Ph: 208346. □ DELHI – 10, Sansad Marg, Ph: 312004. □ MADRAS – 19, Rajaji Salai, Ph: 589131. □ AMRITSAR – Gandhi Bazar, Ph: 43217. □ BANGALORE – Mission Road, Ph: 220300. □ COCHIN – Bristow Road, Ph: 69582. □ DARJEELING – 49, Laden La Road, Ph: 2777. □ GUWAHATI – Fancy Bazar, Ph: 27018. □ HYDERABAD – Abids, Ph: 2375(□ KANPUR – 16, M.G. Road, Ph: 211462. □ SHIMLA – The Mall, Ph: 3025. □ SRINAGAR – Sherwani Road, Ph: 76935. □ TUTICORIN – 44, Beach Road, Ph: 20817.



Much to be desired

is refers to 'In defence of nopolies' (Labour, 6 Au- st). Trade unions these days ve become redundant, save carrying on strikes and de- nding higher pay. The bank- sector, which is a good ample, is expanding at a rapid e. But the ills with regard to rsonnel management and op- tions continue to exist. ions should negotiate terms her than paralyse the sector h strikes.

The operations side too leaves ch to be desired. Banks, ough a strange rule, cannot vertise their services. Their erest rates too are the lowest 10 per cent; even debentures er a 14 per cent interest, be- es being more liquid.

RINIVASA MURTHY
nderabad

Wrong band

dly refer to your article siasat I: the world to your ne" (Advertising, 23 July). e cost of the dish antenna to eive Asiasat put at Rs.7,500 is practical. I gather from var- s manufacturers of dish an- nae in India, that with 7,500 we can receive only 5 nd programmes from Insat The Asiasat programmes are Band programmes: the mini- m cost for receiving these m Asiasat will work out to a nimum of Rs.25,000. No man- cturer can supply systems at ts lower than this.

AHUDDIN P.K.
ras

• Unprofitable

Your report on Comet Steels (Corporate Report, 23 July) makes interesting reading. However, Jain's plan to cater to drum making units is not profitable at all. Drum makers want CR material processed from imported HR material to withstand the draw and to be sold to them at commercial grade prices. Again, the arguments against CR import such as the declining rupee, foreign exchange crunch, import duties does not hold good as they are applicable to HR coil imports also.

Price, standard and lead time are the watchwords in CR marketing. In addition, it is the commitment, especially to OEM customers, that spells either success or failure.

B. CHANDRA SEKARAN
Ex-sales manager
Pennar Steels Ltd
Madras

• Stub the butt

Cigarette ads including lines like "Live life Kingsize" or "Freedom", besides being incorrect, have done a great deal of harm to the young generation over the years. Against this background, a ban on such advertisements may be an important step in curbing this menace. Smoking should be banned at all public places. A smoker, while enjoying himself, causes harm to others in his vicinity. In the bargain, the nonsmoker is deprived of fresh air and compelled to inhale smoke which is injurious to his health.

S.D. NATU
Bombay

• Enslaved freedom

The new industrial policy has been described as controlled decontrol (Cover Feature, 11 June). It is time we removed the veils that shroud the industrial policy and bluntly pronounce what exists.

The enormous paper work and utterly non-productive bureaucratic controls have tied us in knots. No amount of policy pronouncements will help us move ahead. In this ever-thickening maze of petty approvals, we will go on talking about growth in percentage points while lesser nations achieve manifold growth, leaving us behind.

You cannot have 'controlled decontrol' any more than you can grant someone 'enslaved freedom'. It is time we talked not about liberalisation but of liberating of industry from government shackles.

S. K. BIJLANI
Chandigarh

• Gladly, a wee more

Air travellers who hitherto had no choice but to fly with our national airline will now be happy with the start of private air taxi services (6 August). That they are unhappy with Indian Airlines is indicated by the fact that they do not mind that little extra fare over the IA fare if services are prompt and convenient.

It is high time that IA realised it is not the fare that people bother much about; instead, punctuality, cleanliness and allied factors that IA lacks.

ANNAM S.M.
Secunderabad

• Who really owns a company?

Ravi Bhoothalingam's essay in your Guest Column (23 July) is a good example of how status quo as well as status can be sought to be defended.

Bhoothalingam has gone into the concept and nature of the joint stock company to explain that shareholders are the owners of their companies. But legally the owner of a company is the company itself since it is an artificial person created by law which has an independent existence. Legalities apart, are shareholders' interests also not the interests of the people who work in the company? Surely, an employee force that is mature and well-qualified would be aware of the general business environment in which they live.

Bhoothalingam's ultimate concern seems to be to keep the employees out of the board, for they are supposed to bring in undesirable tendencies like sectional representation. But it is another matter altogether when a board comprising smart, experienced managers lets a company turn sick or makes it lose its position of strength. Bhoothalingam's views only reveal what managements think of their workers. Why should paid managers not bother about the problems of the owners? Are they also not employees, ultimately?

Is it not worth experimenting with a new idea which aims at making an employee have a say in the running of enterprise he works for? For, while a shareholder holds a few shares, an employee has pledged his life to the organisation.

V. JANARDHAN
Hyderabad

• Big farmers' policy

Your article on the new farm policy (Focus, 9 July) has presented the policy in the right perspective. Its main ingredients, like high support prices for agricultural produce and subsidisation of agricultural inputs, will help only those farmers, who have large farms with capital to invest and who produce for the market.

One had hoped that the new rulers, who claim to represent the rural areas, besides caring for overall growth rates in agriculture, would also care for the neglected small farmers in rain fed and dry land areas. These areas, incidentally, account for some 70 per cent of the total cultivated area. The absence of assured irrigation facilities and preponderance of small farms with little capital to invest is the reason, for example, for the migration of Bihari labour to Punjab.

V. SAGAR
Delhi

• The southern giant ploughs ahead

I have read with interest your Cover Feature on the Amalgamations group (23 July). The success story of the group should be an eye-opener to many modern companies who only ex-

pand without even thinking of consolidation.

It has become a sort of obsession with modern managements to expand under the cloak of diversification by taking up new projects without looking into their financial viability, buying up sick units, etc. This type of management is only interested in expansion and they do not believe in reviewing or consolidating at every stage. They stretch their financial resources to the breaking point. The result is that the projects do not take off and they are left with very heavy overheads. It also happens that the parent company is left with a group of sick units not contributing any return on investment and remaining a burden on the parent company.

It is high time for so-called modern managements to realise that there is no substitute for financial discipline and consolidation at every stage.

P. RAMAKRISHNAN
Madras

• Taxpayers travails

Prakash Hebalkar's article 'Easing taxpayers rituals' makes a number of useful suggestions (Comment, 23 July), particularly with regard to filing of tax returns and refund of the excess tax paid.

As mentioned in the article, tax refunded should be deductible from the advance tax to be paid in the following year. Or, the income tax authorities should issue a 'credit note' of the amount to be refunded. It should also be mandatory for the tax authorities to make such refunds within six months of filing the return. Interest should be paid for any delay in refunding the money due.

The suggestion of sending the income tax return form along with the instructions booklet to all the taxpayers is worth serious consideration. I also suggest that along with these, three forms for payment of advance tax should be sent to the assessers. At present, a taxpayer or his agent has to make numerous trips to the ITO office for obtaining these forms.

The tax authorities should also supply copies of the assessment order, irrespective of the fact whether any amount is due or not. Such a course would help in ensuring the taxpayer that his return has been disposed of.

V. SAGAR,
Delhi

• Safeguarding the small investor

In the interview (6 August) with S.A. Dave, chairman of the Unit Trust of India, one of the questions relates to transparency in the operations of financial institutions. Dave's reply indicates his fear that "disclosure of holdings may lead to a rise in speculation".

I am of the opinion that financial institutions and banks must disclose their holdings so that investors are in a position to know how secure their investments are. How can one say that this will lead to speculation? In fact, transparency in the operations of financial institutions minimises every chance of speculation. Besides, suppression of facts and figures is always dangerous and much more harmful than disclosure.

Hence, I request all the concerned authorities to publish the holdings of financial institutions and banks at regular intervals for the safeguard of small investors.

SARVESHWAR MUNDRA
Gondia (Maharashtra)

• Against our interests

The provisions of the Montreal Protocol (Business Notes, 23 July) are designed in favour of rich countries and are strongly biased against the interests of developing countries. In the event of switching over from chlorofluorocarbon (CFC) technology, companies in both the developed countries and India, will indulge in profiteering, as they will get a new lease of business with higher returns. On the other hand, Indian consumers will willy nilly have to bear the brunt of the increased costs of CFC substitutes.

SURESH SUREKA
Dhanbad

• Errata

I would like to clarify a few points regarding the article, "Computing power to the people" (Technology, 9 July).

C-DAC will begin the process of technology transfer on 17 August during the first Industry-User meet at Poona. Key u C-DAC platforms such Vikram Sarabhai Space will share their experien parallel computing with users and the industry.

The first Inmos proc such as the T414, did no the floating point unit o chip. The T800, launch 1988, was the first Inmos cessor to incorporate the ing point unit on the chi H1 processor from Inmos pected to be around six to times faster than the cu T800.

The sentence "...comp power increased geometri means that the performanc parallel processing system ally increases less than lin with the number of proces Though over 90 per cent ciency can be achieved, eve per cent is regarded respect

Lastly, although the majo tivities of C-DAC (inclu hardware design and app tion program developm take place at Poona, a centr Bangalore works on syst software while a cell in Del active in signal processing graphics.

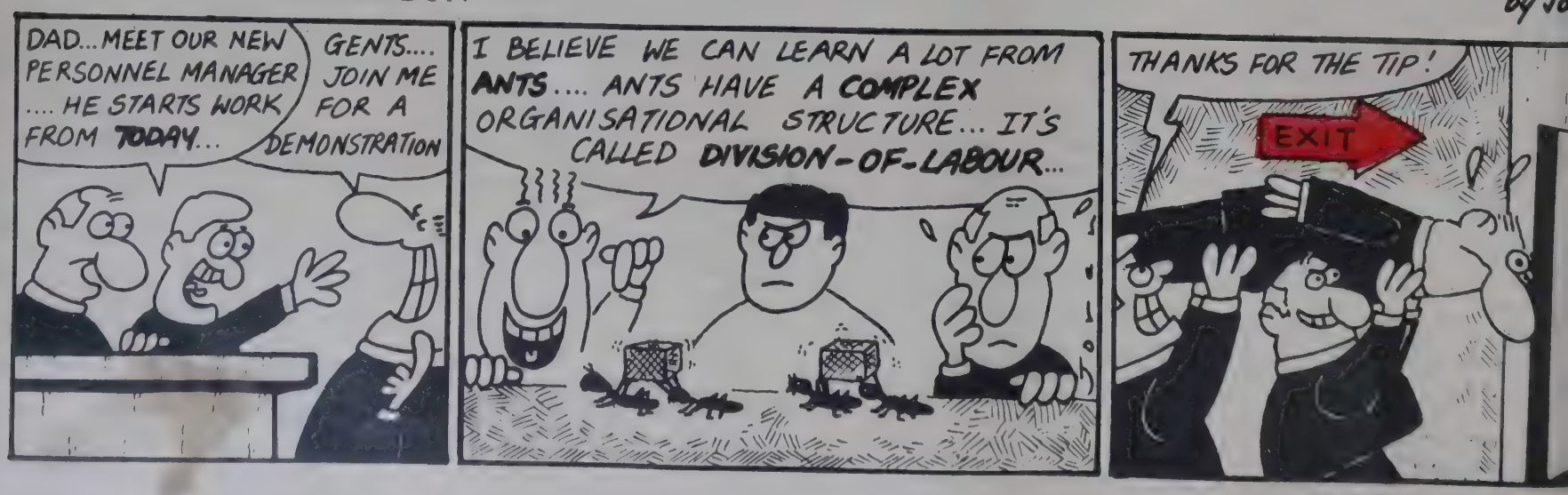
ASHOK JOSHI
Director, Hardware
C-DAC
Pune

In the section Advertising August) Ashish Mitra was n tioned as being chief execu of Contract Advertising. H chief executive, Clarion Ad tising Services Ltd.

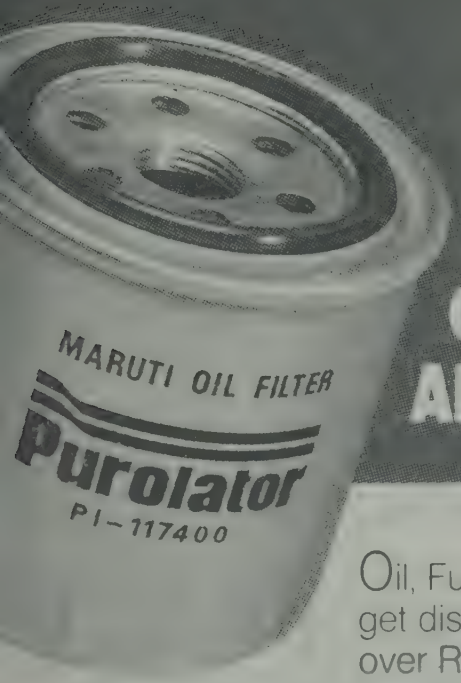
The errors are regretted —

LIKE FATHER, UNLIKE SON

by Jo



DON'T BOTHER



ONLY IF OVERHAULING YOUR CAR ENGINE AFTER 50,000 KM IS NO BOTHER

Oil, Fuel and Air filters can decide the fate of your car engine. If they are inefficient you will get dislocated valves, damaged piston rings, ruined cylinder walls, engine seizure and over Rs. 7000/- in repair bills.

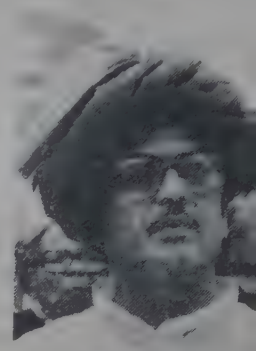
If they work — the way Purolator does — you will get the optimum 1,50,000 km between overhauls, excellent trouble-free running, and low maintenance bills.

So, go ahead, insist on Purolator.
The filters your mechanic would highly recommend

Purolator
THE WORLD'S BEST SELLING FILTERS

A member of the ANAND group of companies

Risking the Mandal Report



The editorials and public protests against the official adoption of the Mandal Commission's 1980 report contrast strangely with the support for it from all the major political parties, including the Congress (I), the Marxists and the BJP. These, of course, are publicly playing the numbers game. Privately, however, they are dismayed that party funding and the control of their organisations may be in jeopardy. However, they are probably happy that the protests represent the first serious public threat to the government.

The political risk taken by the V.P. Singh government is significant. The Gujarat experience with reservations is a pointer to that risk. In Gujarat, Madhavsinh Solanki had won local elections in 1985 on a similar promise but was later ousted in the upper caste and communal backlash that followed. While it is too early to guess whether the adoption of the Mandal Commission report will help write V.P. Singh's epitaph as well, the protests underscore its sweeping nature.

Government service is today more sought after than ever before. The implementation last year of the Ninth Pay Commission's report raised the economic status of middle level government employees to the level offered by the private sector. The central government and its undertakings alone employed 6 per cent of the country's labour force in 1989 and employment is growing at 2 per cent per year. In the light of this, the post-Mandal era means a loss of over 50,000 new jobs each year at the entry level itself. More significant, reservations apply at every level of promotion as well.

Do reservations make sense? It is argued that job reservations have increased casteism by legalising a division of society. But this is the same as saying that casteism sustains itself because of reservation, which however is not the case. Casteism arises from and is perpetuated by social prejudice. It leads to the economic backwardness that reservation seeks to counter. True, reservation based on caste alone is not a perfect tool because the poor cut across all social classes. Yet, if one were to focus on reducing income inequalities, class-based reservation — linked directly, th not always perfectly, to income — makes sense.

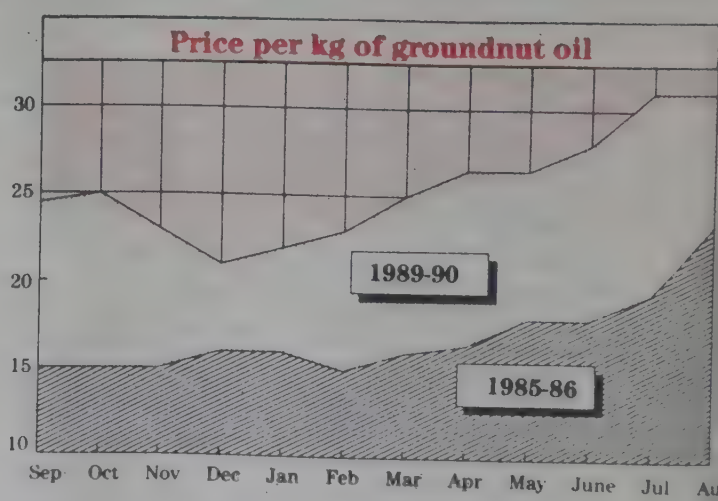
Then there is the question of the efficient working o government. Higher reservations may reflect population centages but, it is claimed, the lower educational status o backward classes will reduce the efficiency of the governm Probably not; the efficiency of the government is a result o outdated systems it has in place. Otherwise, it could we argued that the work done by the 77.5 per cent of the ployees in government services, currently staffed by the ter educated upper classes, should have offset inefficiencies of scheduled castes and tribes.

Though reservations *a la* Mandal makes sense, it woul futile to expect reservations alone to remove social prejud That requires social programmes and a strict protectio the rights of the backward classes as equal citizens. As history of reservation for scheduled castes and tribes i cates, the absence of programmes to better their social sta in spite of job and education reservation has left them vulnerable as they were earlier.

Appropriate though reservations are in the context India's history of class distinction and neglect of the ba ward classes, this does not excuse V.P. Singh's manne working in this case. The hasty adoption of the Mandal Rep appears opportunistic in the light of Singh's poor mass b and can be criticised as politically expedient in this new er consensus politics.

Who's responsible for edible oil prices?

Edible oil prices have jumped sharply since February this year (*see chart*). In the light of a good crop in 1989, this was clearly not inevitable. The cash rich National Dairy Development Board (NDDB) had been charged with introducing market intervention operations to stabilise the prices of groundnut and mustard oil. Such intervention is now 18 months old. Why has NDDB been ineffective?



Its old bugbear, the oil traders of Gujarat, are an importa reason. In late May, it was publicly revealed that NDDB stocks were running out. Since then, traders have taken a vantage of this as well as the poor monsoon in the oilsee growing areas this year to push up the prices of groundnut o

But traders cannot manipulate prices at will. Prices depend on demand and supply. In the past, prices have also fluctuated with the size of the crop. For example, they were low after the good crop of 1985 but rose after the monsoons failed in 1986 (*see chart*).

NDDB failed this year because it erred seriously in not mopping up large stocks of groundnut oil when it was freely available at Rs.21 per kg last year. If a buffer stock of about 200,000 tonnes had been purchased then, the current crisis would not have occurred. Though, it must be mentioned here that the government was equally responsible for playing into the traders' hands. Despite an SOS from NDDB it did not release the foreign exchange in time for imports. And the traders, realising this, took full advantage of the situation and raised the prices.

Maybe NDDB should learn from this experience. This year it should be wiser and buy heavily after the harvest is marketed in October. Having also settled its intra-governmental dispute with the State Trading Corporation it should also be more ready to intervene in a timely manner to ensure price stability. The two organisations signed a memorandum of understanding last week by which STC is to import edible oil on NDDB's behalf. The STC will also export NDDB's dairy products — 30,000 tonnes of milk powder and 5,000 tonnes of milk fat initially. The foreign exchange earned will be used by NDDB for the import of palmolein, providing it the much needed flexibility in taking on the oil traders.

So, NDDB deserves another chance. It is not an easy task, particularly when operating against a powerful class of traders with years of experience behind them. But the country has no other long-term option for a fair price for edible oil; the NDDB has to be supported at all costs.

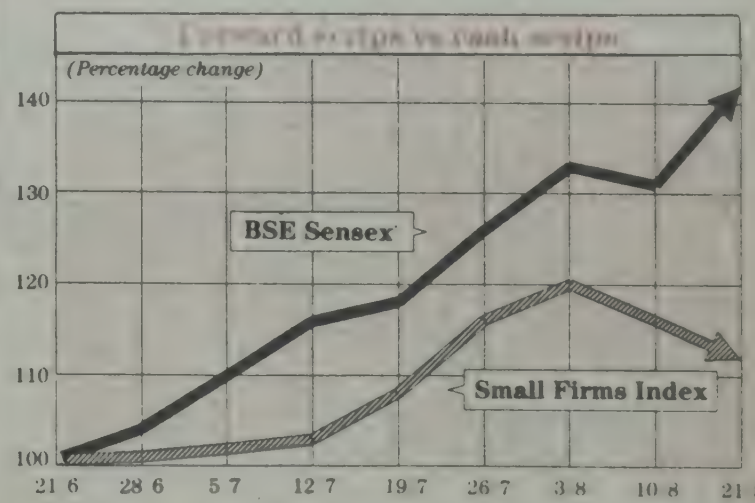
The Weighty Eighty

In the 1920s, the stockmarket boom on Wall Street was dominated by the shares of the Nifty Fifty. This referred to the fifty stocks of well known large American companies (such as Coca-Cola and General Motors) whose price rises and stockmarket turnover far exceeded those of other shares on Wall Street. Of course, that was before the crash of 1929, at which time the Nifty Fifty led the fall.

Dalal Street has an equivalent these days — the Weighty Eighty. Most of the trading volume and index rises are contributed by the eighty shares that make up the forward list on the Bombay Stock Exchange (BSE). The prices of these shares (measured by the BSE Sensitive Index) have risen by 42 per cent in the last two months as against 12 per cent for the smaller shares (*see chart*).

Generally, speculators lead a boom with their purchases of forward shares, and the prices of the rest (the cash scrips) start rising a month or so later. But this time around, a host of mutual funds flush with cash have moved the market. Speculators have merely followed the initiative that mutual funds have taken in buying forward shares. So now — two months after the great bull rush — cash shares have not caught up.

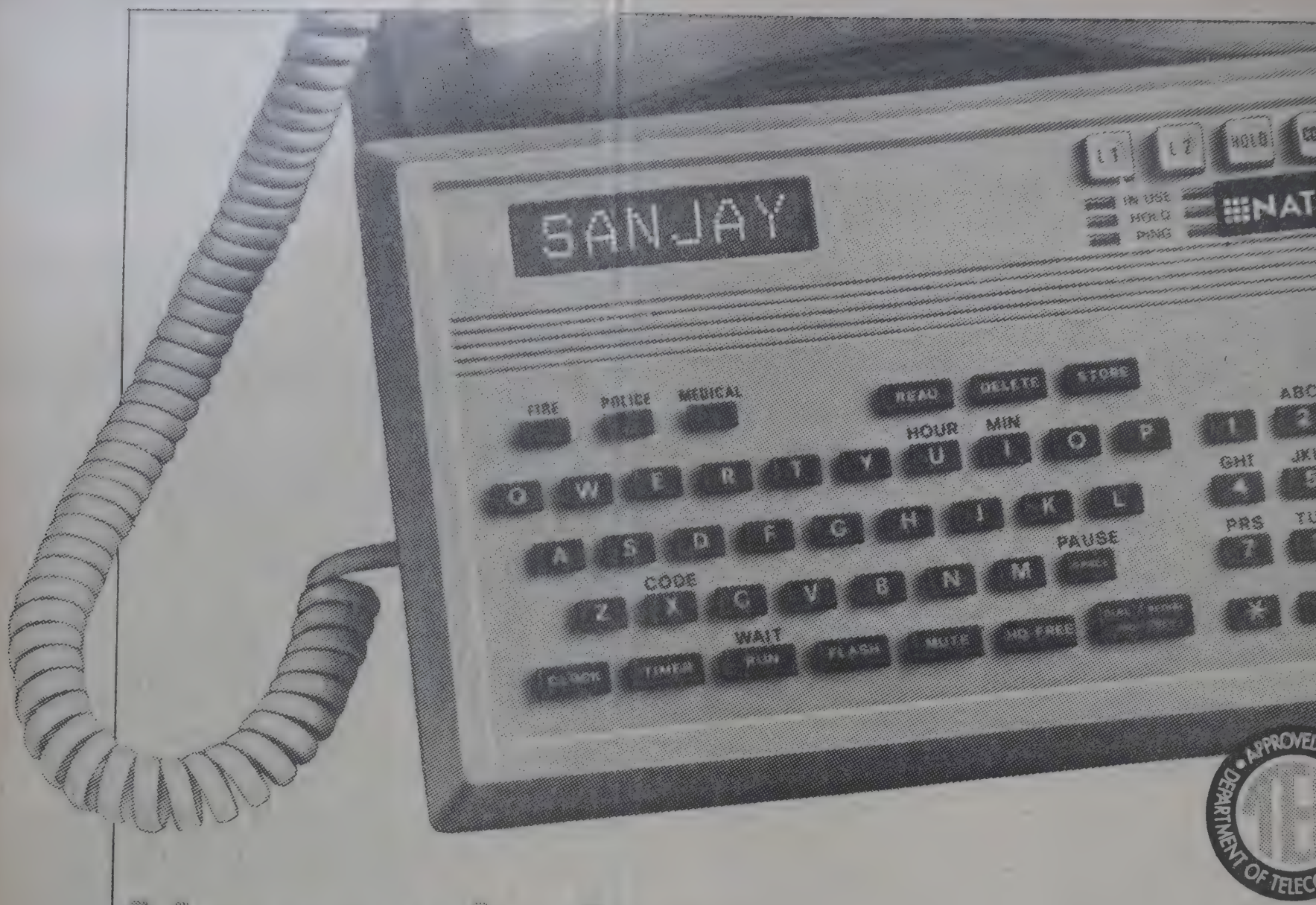
Yet cash scrips are likely to earn as much per share as the forward scrips this year. Then why have mutual funds avoided them? There are several reasons. The first is the smaller floating stock of companies on the cash list. Even a small amount invested in such scrips tends to send their prices spiralling upwards. As mutual funds have large amounts at their disposal, it makes better sense for them to invest in companies with large floating stocks. In fact, over 80 per cent of listed shares have a floating stock, ie, after deducting the promoters' holding of less than Rs.5 crore, thus rendering them unattractive as mutual fund investments.



Apart from the Weighty Eighty, there are at least 120 cash scrips with adequate floating stock. Yet the Weighty Eighty remain the mutual funds' favourite stocks. This is because while a cash scrip like Indo Gulf Fertiliser has enough floating stock to interest mutual funds, the scrip — like most cash shares — is less sensitive to market movements than, say, a forward scrip like Gujarat State Fertiliser (GSFC). Since most mutual funds have invested in the expectation that the market will rise, buying the more sensitive forward scrips like GSFC is a quicker way to make money than through the sleepier Indo Gulf Fertilizer scrip.

It appears like an endless spiral. The price jump of forward scrips (with their high market capitalisation) raises the market index by more than the cash group. This induces mutual funds to continue to purchase only index-linked stocks. And it goes on.

But this cannot continue forever. The price disparity between cash and forward scrips is an artificial one, not based on fundamental differences in earning abilities. It will disappear if either the prices of cash scrips rise or those of the forward group falls. The first will occur if long term investors sell their forward scrips and buy cheaper cash scrips. The latter will happen if some adverse news about the economy, such as perhaps a jump in the price of petrol, turns the spiral going the other way — downwards. Then, just as the Nifty Fifty did in 1929, the Weighty Eighty too could not prove heavy weights.



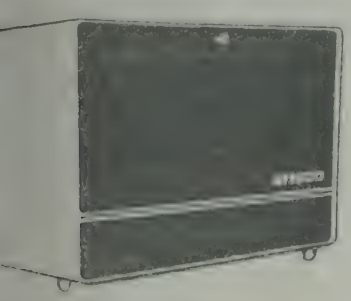
Now a telephone that lets you call people **by their names,** not numbers.

Imagine a phone that allow you to forget the number of th party you are calling. Just key the name or the initials and lo call is made. Take a look at t Natelco ONYX Alphanumeric 2-line directory phone. The super-smart phone that stores 200 frequently called phone numbers along with the name the party. And that's not all, i also offer you facilities like ha free operation, conferencing, digital clock display, call time auto redial, etc. You'll find tha Natelco has captured your imagination and turned it into reality. And the ONYX Alphanumeric is just one of the telephones from the Natelco range of futuristic and feature-packed phones that co in different models and sizes to suit every requirement and poc

NATIONAL TELECOM OF INDIA LTD. ● F 16/17 [illegible] Road BOMBAY 400 034. Tel: 4938080, 4948868, 4948884, 494 [illegible]
[illegible] 4936582 ● 41/14, [illegible] BANGALORE-560 001. Tel: 568128 ● 405, Ashoka Estate, 24, Barakhamba Road, NEW DELHI-110 001. Tel: 3310299, 3315099. Telex: 03162795.

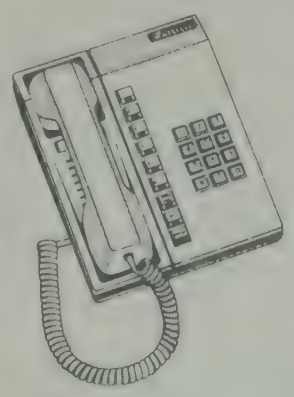
lco 90's EPABX System

a look at the features of any
X System available in India.
take a look at the Natelco
n's features. The difference is
In fact the Natelco EPABX is
vanced that it can actually
e your Telephone Operator
ndle twice the number of
And a simple 1-step
ation encourages all users to
ne sophisticated features of
ystem, without having to
mber a list of numerical
s. Natelco can even give you
figuration that's just right for
however small or large.



Natelco Electronic Key Phone System

Natelco breaks the myth that key phone systems are inflexible! Presenting M616 — A sophisticated and feature-packed phone system that combines the expandability of an EPABX with the convenience of a key phone system. All you have to do is add snap-in cartridges to the Central Unit and plug in the additional phones and the M616 expands to suit your new requirements. M616 also offers you for the first time unique features like Barge-in, Travelling Class of Service and Optional Battery Backup.



Natelco Computerised Telex

Kill two birds with one stone! A telex machine that's also a word processor!! Yet so user-friendly that it hardly requires any operator training. On-screen help to guide new users, single key access to most functions, a quick reference guide that fits neatly on to the key board together with short code dialling for 100 frequently used telex numbers and networking capacity make the Natelco computerised telex unbeatable. What's more, the Natelco telex is available in 4 basic models with the option of adding two drives.



Technology: The Secret Of Better Performance.

What makes the Natelco Communication System so much superior to other similar systems available in India? It's today's technology. Take for instance the Natelco EPABX. It incorporates the very latest C-MOS, VLSI technology and is designed to offer total reliability and high MTBF

Proved 500 Times Over

The efficiency and reliability of the Natelco range of communication systems can be easily gauged by the fact that in just a span of one year, it has over 500 installations in leading organisations. Would you install an outdated communication system in your state-of-the-art office, now that you have a choice?

NATELCO

TOTAL COMMUNICATION SYSTEMS

echnology so advanced it's so simple to use.

MADISON-NT-140R

rised Dealers: • **Bombay:** Avhan Enterprises Tel: 4301195. Cygnet Enterprises Tel: 500067. 2864033. Lynx System [illegible] 353239. 364234. Petco 442638, 6404741. Sigma Communications Pvt. Ltd. • **Ahmedabad:** Unique Communication Systems Tel: 76061 • **Nagpur:** M[illegible] and Industrial Agencies Tel 40909 • **Pune:** Cable Industries Tel. 55356, 54560. Dial AM Computers Tel: 660006. • **Madras:** Concepts & Devices Tel. 865[illegible] ax Pvt. Ltd Tel 473084. Vijaya Systems 79992 • **Hyderabad:** H.P. Communication Tel: 843147 • **Delhi:** Gurusons India Tel: 5717272, 5719784 • **Calcutta:** Espee Enterprises Tel 453535 455293 453274

Don't bank on them

When anyone mentions anything about customer service at nationalised banks, he is greeted, more often than not, by loud groans. That would definitely be the response of a certain joint secretary in the Central government who was on a holiday in his hometown, and was told that he would have to come back the next day to collect the money he was withdrawing from his own savings account with the State Bank of India (SBI)! He had to involve the manager of the branch in the ensuing fracas before he got his money. If that is the experience of a senior government official, one can well imagine the plight of the common man.

Take for example this gentleman in Bombay who had chosen a flat for purchase. Having agreed to pay an advance of Rs.10,000 within two days, he called his family in Shillong immediately asking for the money. He was told that the money would be telegraphically transferred to his SBI account the very next day. On the third day, after calling Shillong, the client enquired about the transfer at the bank, only to be told that the money had not come. The same scene was repeated on the next two days too. On the sixth day — by which time he had lost both his cool and the flat — he was told that the money had arrived on the fourth day but that the voucher had been lying on the wrong officer's desk!

Subsequently, the hapless client had to spend months searching for another flat. By the time he found another one of the type and size he had originally chosen, the ante had gone up by Rs.40,000!

J.D.
Bombay

Why not study?



With the illiteracy rate of the country being what it is, education in the national context is nothing short of a basic necessity. But for 37.85 per cent of the population, who exist below the poverty line, life is a hand-to-mouth existence. Yet many of them would also like to pursue an educational career. And **WHY NOT**? In fact this is precisely the name an evening college, in the Tamil Nadu hill station of Yercaud, has chosen for itself. Needless to say, the colourful hoarding advertising the college catches the attention of all way farers with its striking simplicity.

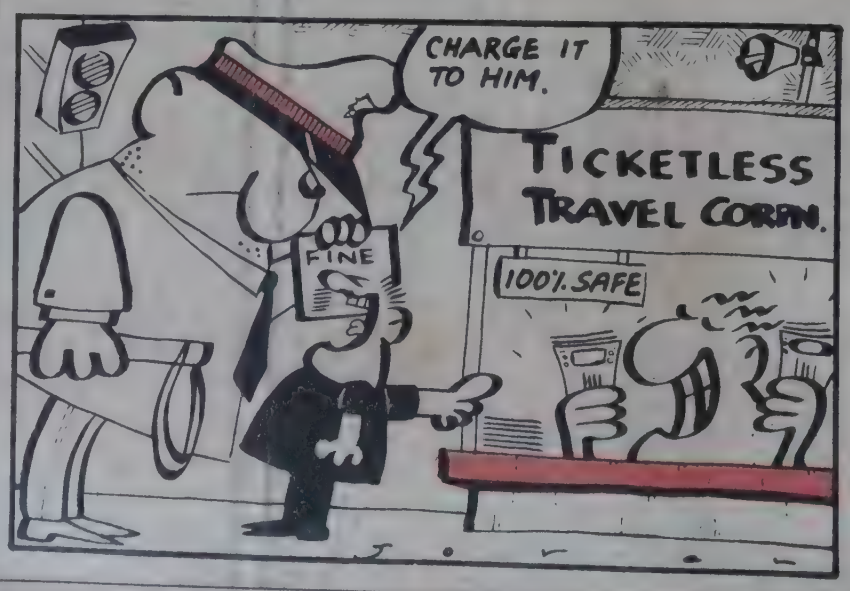
D. LAL
Madras

Fine probability

Ticketless travel is a common feature among Bombay's suburban commuters. One such category of culprits are students. They have their own ways of calculating the cost of ticket vs fine based on the probability of getting caught.

This cost-fine probability has been very shrewdly exploited and turned into a business venture. In the central suburbs, there is an agency that provides a sort of fine insurance for ticketless travellers. An entrance fee plus a monthly fee entitles one to a membership. If a member is caught travelling ticketless, the fine is reimbursed by the agency against the fine receipt. The member thus enjoys a cheap ride and the agency (banking on the law of probability) rakes in the *moolah!*

RANJEET KATE
Pune



You, me and computer chips

Enter the strange world o computer chips. People — you and me — are the sing largest source of poison h Human hair and scalp, for instance, are rich sources what the industry calls "ki particles". Even breathing can cause severe damage t IC in the making — some killer particles are exhaled every minute.

In the early days of chip-making, a "bunny suit" was devised to cover the body b as transistors got smaller, control systems grew more elaborate.

For chips with sub-micro geometry, though, even all that isn't enough. The bunn suit is just too leaky, so the principle in Class-I clean room attire is 'total enclosure' — including a helmet that filters exhaled air. Another requirement fo clean rooms is that they hav to be located in a quiet zone Even the passing of a truck or someone running down th hall in an adjacent part of th building can cause enough vibration to throw the superimposed images out of place.

At this rate, chipmakers will soon have to make workers wear real space suits and manufacture chips while in orbit!

Business India invites readers to send original unpublished contribution to this page. The snippets can be humorous, insightful, outrageous or simply, informative. Each snippet must carry this coupon.

Rs. 50 paid for each published contribution.

Not 'only Vimal', Essar's *sharing* too

The Essar group which has tapped public funds as many as four times in the last five years, has been trying to build bridges with its 810,000 strong "family of investors"

Not so long ago, it instituted a scholarship scheme for shareholders. Now, just released is a newsletter, called *sharing* and touted as the 'the first of its kind'.

"We want Essar to be perceived as an investor-sharing group," says chairman Shashikant N. Ruia.

The first issue provides an update on Essar's various projects — everything is gung-ho and on target, which is good news for the family. With this, Essar seems to have preempted the 'first family' of shareholders: only Vimal.

Cold facts



People across the world spend crores each year on remedies for the common cold. They might as well throw most of that money out of the window since 85 per cent of cough and cold medicines on the world market are ineffective.

In a report entitled *Peddling Placebos: an analysis of cough and cold remedies*, Andrew Chetley, a research consultant based in the Netherlands, says that most people with a cold need no drugs at all. The illness will run its course in anything from four to 14 days. Plenty of rest and warm fluids in the early stages of the infection are helpful. Paracetamol, used sparingly, can however ease aches and pains during a fever.

Beware the debt trap

One often reads of debt crises faced by nations. A nation falls into a debt trap when its borrowings are so heavy that interest payable on loans appropriates a significant part (if not all) of the government's revenue.

This predicament however is equally applicable to a company or an individual, says Vijay Barbhaya, director of Datamatics Consultants. As Barbhaya explains, a company falls into a debt trap for one of the following reasons:

- capital equipment is purchased from working capital borrowings;
- long term loans are contracted for projects which are not viable or of a longer gestation period;
- funds borrowed as working capital are far in excess of requirement due to neglect in collecting outstanding payments due; and
- low profitability of operations resulting in inadequate accumulation of funds for repayment of loans.

Shopping by night

The House of VGP, pioneer of the hire purchase business in Madras, has come up with yet another idea — the Night Bazar. The first of its kind in India, the market functions only on Saturday and Sunday nights between 8 pm and 1 am, when other shops in the city pull down their shutters for the weekend. In its new multistorey complex in the heart of the city, VGP has made available a floor space of 25,000 sq ft for any trader who wants to do business. Each shop has a carpet area of 36 sq ft for which the trader pays a weekly rent. Night Bazar has got off to a good start and is becoming popular with shoppers who prefer shopping in the quiet of the night.

J.B. WILLIAM
Madras



God and money

Taking a clue from politicians who use religion to gain more votes, Tamil movie producers have devised their own way to woo an ever gullible audience.

To promote his devotional film *Adivelli* , director-producer Rama Narayanan has made several three-foot tall idols of a goddess who features in the film, and placed them in front of theatres. For special effects, three or four women have been hired to perform a ritualistic dance for a song sequence from the film.

But this is not the end of the marketing strategy. A box for offerings has been kept near the idol. So popular is the gimmick; the box needs to be emptied three times a day.

K. BABU SHANMUGA SUNDER
Tamil Nadu

Cushier than thou

Who in this world leads a cushier life than everyone else? The Japanese, naturally. The Human Development Index, as mentioned in a report by the United Nations Development Program (UNDP) is the new indicator of lifestyles. It compares the quality of life amongst 130 nations, on a scale from zero to one. Japan scored 0.996 and Sweden came second with 0.987. The US got 18th place not too far (surprisingly) from the USSR at 25th.

How did this relate to a country's GNP? It doesn't, since, as the report says, a good life is possible despite low income levels. Thus, Sri Lanka which is 93rd in terms of per capita GNP is ranked 47th in the lifestyle rating.

Man on the spot

On 5 September, the Indian Banks' Association — the advisory body of bank managements — will elect its new chairman. Current chairman R. Srinivasan who is chairman and managing director of the Bank of India, has completed a third term and by convention will have to voluntarily relinquish charge. In that case, again by convention, the senior-most deputy chairman, P.S. Gopalakrishnan, CMD of Indian Bank, should be the next chairman. Srinivasan, of course, would not mind getting a fourth term. At the same time, Gopalakrishnan's enthusiasm to lead the banking fraternity through the IBA forum is understandable.

But the RBI, which is taking an interest in IBA's internal affairs for the first time, seems to have other ideas. It favours neither Srinivasan nor Gopalakrishnan and has reportedly hinted that M.N. Goiporia will head IBA. Goiporia, if elected chairman, will serve two purposes. He could, for one, soften the big brotherly attitude of SBI; this would certainly strengthen the unity of the member banks of the IBA. Also, he can liaise closely with RBI.

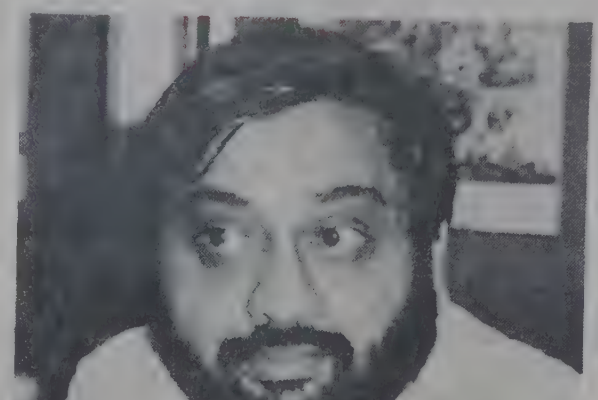
Volte face

A few months ago, the Rajahmundry based Andhra Paper had proposed to an IDBI-led consortium of financial institutions (FIs) that it wished to take over the management of the sick Shree Rayalaseema Paper Mills (SRPM). At that time, the IDBI was reportedly not open to the idea. In its opinion, it would make more sense if Andhra Paper were to merge with the sick SRPM. Considering the latter had a negative book value of Rs.33.81 per share after the 18 month period 1987-89, Andhra Paper of course didn't think that it could shoulder such a merger.

However, soon after Andhra Paper announced its results in June, proving to be the most profitable paper manufacturing company in the country today, the FIs did a *volte face*. According to the grapevine, they are now very open to the idea of Andhra Paper taking over management control of SRPM on a stand-alone basis.

IFC ahoy

Soon, Infrastructure Leasing and Financial Services (ILFS), the joint venture promoted by the Housing Development Finance Company, Central Bank of India, and the UTI will have a new shareholder. If



Parthasarthy: bringing IFC into housing

the ministry of finance permits, the International Finance Corporation, Washington, is likely to take a 15 per cent stake in the share capital of ILFS by way of convertible cumulative preference shares. Also, the World Bank affiliate will grant a US$ 15-million loan to the company. After year long negotiations, it seems like president and managing director Ravi Parthasarthy's efforts are about to bear fruit.

In tandem

Continuing on the diversification route is soap giant TOMCO (see *Business India*, 6 August 1990). It has recently signed a letter of intent for a joint venture (to be later converted into a memorandum of understanding) with the California based Chlorox International Co Ltd. The latter is the world's largest manufacturer of bleaching agents. The Rs.10-crore venture, to come up somewhere in southern Maharashtra, will initially manufacture insti and health disinfectants (blea textiles, floor cleaners, etc). Chlo participate financially to the exte per cent of the equity with TOMCO another 40 per cent. The rest wi fered to the public.

Explaining his company's foray new area, N.S. Sunder Rajan, mana rector of TOMCO, says, "The bl agents and the detergents we pr manufacture share common te and marketing infrastructures." I clearances come through in time, t ject is expected to go on stream in quarter of 1992.

Saddam, or no Saddam

Indian Petrochemical Corporatio (IPCL) proposed petrochemical joi tor venture in one of the Gulf coun progressing on schedule. A technica from its partner company in the G be visiting India in October. The fol month, a high-powered team from will visit the Gulf country in retur sign the memorandum of understa

Meanwhile, last week, ONGC co sioned its gas separation plant at and began su ing C2, C3 fra to IPCL's cracker Nagothane. Th ject has bee layed by nea year for want from ONGC.



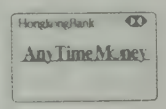


IPCL (inset: Hasmukh Shah, MD): going ahead in the Gulf

To double the earning power of your savings account, cut this ad in half.

The SmartMoney Account. 10% interest instead of the usual 5% which you get from an ordinary savings account. How does it work?

Simple. Say, you've deposited Rs. 10,000. At 10% p.a. you earn Rs. 1000 in a year. OK, but what if you need to withdraw? No problem. Say, you withdraw Rs. 6000. On this, you pay overdraft interest at 12% p.a. Which works out to Rs. 720. However, your Rs. 1000 (interest on the original deposit) keeps coming. So, your net income is Rs. 1000–Rs. 720 = Rs. 280. In the case of an ordinary savings account, you would have earned 5% interest on your balance of Rs. 4000. That is, only Rs. 200. So, quick! Cut out the coupon. Because, idleness can be costly.



Get a FREE AnyTimeMoney Card with your SmartMoneyAccount. For instant banking, round-the-clock.

SmartMoneyAccount

HongkongBank
The Hongkong and Shanghai Banking Corporation Limited

AnyTimeMoney Facility not available in Visakhapatnam
HongkongBank branches only at Bombay, Calcutta, Delhi, Madras and Visakhapatnam

Yes! Each day costs me half the earning power of my savings. Hurry, send me more information on how I can make my money

S M A R T

Name _____
Address _____
_____
_____ Tel _____

fold here

BI 12

To,
The Customer Service Officer
HongkongBank
52-60 M.G. Road
Bombay 400 001.

Business Reply
Inland Letter Card

Permit No.
BY-S-381
Bombay GPO
Bombay 400 001

Postage will be paid by addressee

No postage stamp necessary if posted in India

fold to stick

LINTAS HKB SMA P 8 2517

ECONOMY

Excise crisis

The Union finance ministry is likely to face a setback of over Rs.500 crore by way of additional excise duty on man-made textiles in lieu of sales tax. This crisis comes at a time when the finance ministry is already experiencing a resource crunch.

The collection has come to a virtual halt in the major textile centres of Maharashtra, Gujarat, Punjab and Rajasthan. This follows the Delhi high court's order not to take any coercive move against the textile processors. The latter have contested in the court the levy of additional excise, when the sales tax is a state subject.



Fertiliser projects

The government is looking for alternative promoters for two projects — the fertiliser plants at Babrala in Uttar Pradesh and Gadepan in Kota district of Rajasthan. The Tatas and the KK Birla group were initially awarded the projects but the promoters will now be the Indian Farmers Fertiliser Co-operative Ltd (IFFCO) and Krishak Bharti Co-operative Ltd. (KRIBHCO)

IFFCO and KRIBHCO were proposed as they are flush with funds and have an impeccable record of commissioning their plants on schedule without any cost overruns. The government perceives both Tata Chemicals and the KK Birla group as having too many mega-projects on hand and as such may not be very keen on the fertiliser project.

More power for SCICI

The Shipping Credit and Investment Corporation of India (SCICI) has been empowered to give foreign exchange and reasonable price clearances for ship acquisition to the private sector. SCICI's decision on licensing applications will be final and does not necessitate going via channels like the directorate-general of shipping or the finance ministry.

The surface transport minister, K.P. Unnikrishnan made this proposal essentially to avoid procedural duplication resulting in time loss.

5-point plan disfavoured

The Union commerce ministry has been lobbying against the steel ministry's proposed five-point strategy under which export of iron ore is being discouraged in favour of export of value added products.

According to the commerce ministry, value added exports may be premature in the face of a slow growth in production of sponge iron, pig iron and steel, given the budgetary constraints. Besides, this will jeopardise a foreign exchange earning of around Rs.1,000 crore per year, out of which as much as Rs.800 crore is earned in free foreign exchange.

Excise on cars up

The Union finance minister, Madhu Dandavate, has announced a ten per cent ad valorem increase in excise duty on motor cars as a measure to curb the demand for oil. In other words, excise duty will go up to 50 per cent as against 40 per cent. In addition, the rate of depreciation for the motor car, purchased on or after 1 April 1990, has been brought down from 33.33 per cent to 20 per cent.

According to Dandavate, the situation in the Middle East has made it imperative for the government to reinforce its strategy to reduce consumption of oil products. Accordingly, all the



state governments have bee
rected to adopt this strateg

Borrowings increas

The Industrial Credit an
vestment Corporation of I
(ICICI) proposes to tap th
panese and US markets to
upto $400 million through
mercial borrowings in the
rent fiscal year.

The borrowings will have
made at stiffer terms than
fore due to the hardening o
terest rates internationally
also due to the slight declin
the country's creditworthin
Domestic borrowings du
1990-91 are expected to t
around Rs.1,000 crore.

CORPORATE

Stay order on ONGC

ONGC has been granted a s
order by the Bombay high co
restraining the cancellation
letter of intent for the hire o
drilling ship from Amers
Management Pvt. Ltd. The
which was awarded to Amers
as the lowest bidder, was for
drillship, *Glomar Pacific*, own
by Glomar Marine of USA. Ei
months later, however, the co
pany offered a different sh
Foresight Driller-II, owned
the UK-based Foresight gro
Other bidders contended th
this was against the tend
rules, and Amership's
should be disqualified.

Approval for Bomba Dyeing

Bombay Dyeing has finally o
tained clearance for its techn
cal tie up with Glitsch, a divisi
of the US-based Foster Wheel
Corporation. The tie-up, who
clearance was pending for tw
years, is to expand Bomb
Dyeing's DMT plant at P
talganga. In the interim, Glits
has brought the project co
down from Rs. 110 crore
Rs.59.89 crore. Bombay Dyein
aided by Glitsch, will expand th
capacity of its plant to 100,0
tonnes.

exmaco loans

hree companies which had aned Rs. 2.17 crore to Texaco Ltd, will avail of their right convert the loans to equity. industan Times Ltd, Upper anges Sugar and Industries d and Oudh Sugar Mills Ltd ill convert 20 per cent of the an amount to 434,000 lakh quity shares of Rs.10 each. The CI has already cleared the sue.

evival plans for FCI

wo of the four sick units belong- g to the Fertiliser Corporation f India are to be rehabilitated. he government has approved a s.170-crore investment programme to revive the units at orakhpur and Ramagundam. captive power plant is also to e set up at Ramagundam. Rehailitation of the Gorakhpur lant, estimated to cost Rs. 66.5 rore, will be undertaken after a udy of the plant is complete. CI's accumulated losses for the ast year were Rs.1,235 crore. Afer the investment programme s implemented, production is xpected to rise by 300,000 onnes.

More Bombay High oil

ONGC plans to recover additional oil from Bombay High. The project, which will cost Rs.2,400 crore, will involve the nstallation of eight well platforms, one oil process platform, one water injection platform and 78 oil wells. The project is for the L-III reservoir which, according to studies conducted by ONGC, can yield more oil.

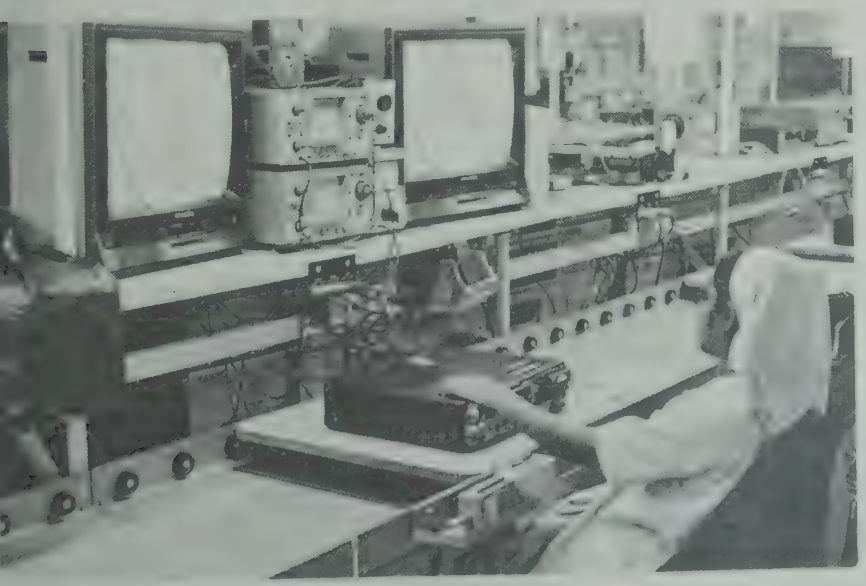


SBI buys Merind stake

Merck and Co. of USA has sold its 40 per cent stake in Merind Ltd to the State Bank of India. The shares, which were sold to SBI at par, are to remain with the bank for a year until Merind finds another collaborator. After a year the shares will either be sold to a new collaborator or be issued to the public. The arrangement has the approval of the RBI.

BPL-Sanyo to set up EOU

BPL-Sanyo Technologies Ltd is setting up a 100 per cent export oriented unit to manufacture consumer electronic products. To be set up with technical collaboration from Sanyo, Japan, the unit will manufacture cassette recorders, CD players and component systems. With a capacity of 500,000 lakh audio systems per annum, the entire output will be bought back by Sanyo. The project cost of Rs. 31.75 crore is to be financed by a public issue of equity shares and term loans from ICICI.



Videocon clearance

Videocon has obtained clearance from the cabinet committee to go ahead with its proposed colour picture tube (CPT) project. The project, in collaboration with N.V. Philips of Holland, is for the manufacture of 1 million CPT tubes per annum. Half the production will be required by Videocon. The details of Philips' equity participation are still to be worked out.

Sino-Indian tie-up

China Metallurgical Import Export Corporation has agreed to participate in the equity of a joint venture with Simplex Engineering and Foundry Works Ltd to set up a steel plant. The plant, to be set up in Madhya Pradesh at a cost of Rs. 240 crore, will manufacture pig iron and steel. The Chinese firm is expected to hold around 40 per cent of the equity.

Steel plant in Orissa

Construction activity has begun in Titlagarh, Orissa on Powmex Steel Ltd, a joint sector steel plant for the manufacture of high speed steel. The Rs.70-crore project is being promoted by the Industrial Promotion and Investment Corporation of Orissa with the financial and technical collaboration of Bohler of Austria. With an installed capacity of 3,750 tonnes per annum, it will begin production from 1991.

Telco proposal

A proposal to hand over the management of the Jabalpur Vehicles Factory to Telco is being considered by the government. The factory, which manufactures trucks, jeeps and Jongas for the army, has till now had a technical collaboration with Mann of West Germany. The defence department, in order to modernise the factory and manufacture new vehicles, had invited proposals from several foreign and Indian companies. Telco's proposal and prototype for the new vehicle was found acceptable though the details of Telco's involvement have yet to be worked out.

New paper shredders

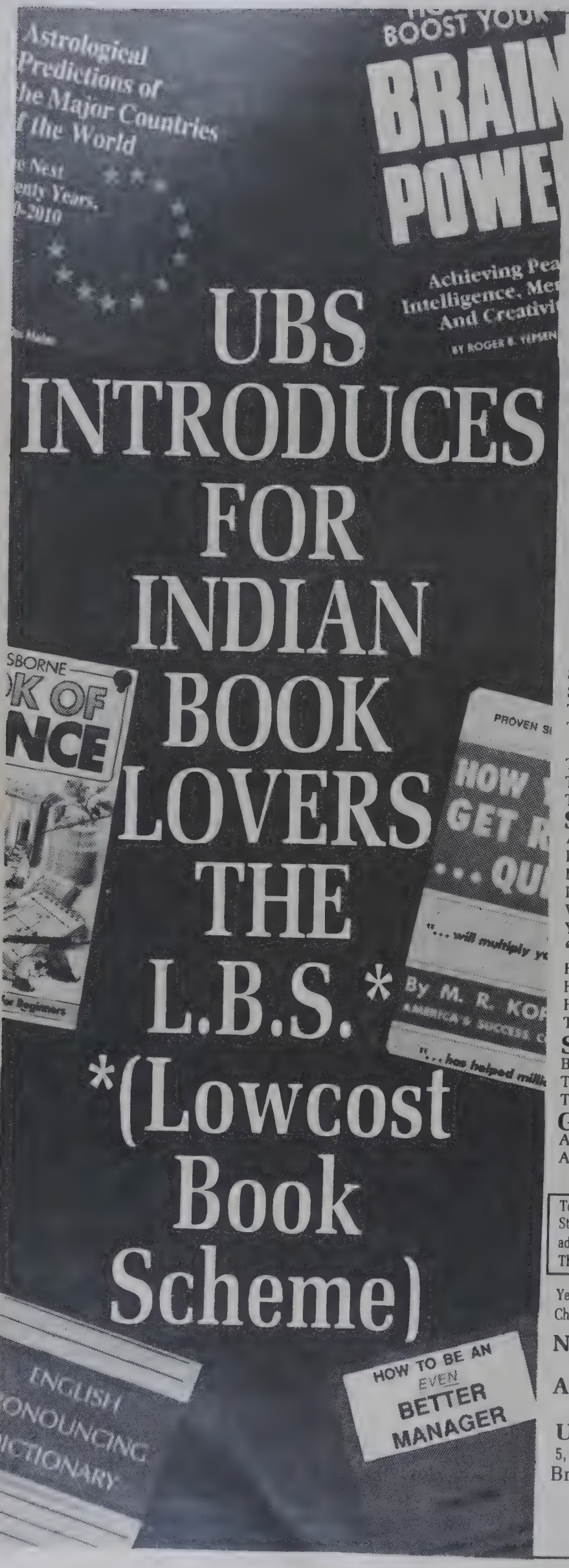
The Raja Bahadur Poona Mills Ltd has recently added three models of paper shredders to its product range. The company, which manufactures machine tool accessories, drafting machines and ammonia printing machines, has manufactured the new products with design and technology from Eba Corporation of West Germany.

INDUSTRY

Defence production indigenisation

A three-pronged strategy has been suggested by the PHD Chamber of Commerce and Industry, by which the government's burden in its efforts to indigenise defence production could be shared by the industry.

The chamber has suggested that the Defence Research and Development Organisation give a commitment to place bulk orders with private sector units developing a prototype for the product. To make the financial



Indian reprints of limited edition foreign / Indian titles, now available at unbelievably low cost. Check out th titles under the Lowcost Book Scheme.

DICTIONARIES	PRICE
Business Dictionary	40.00
Dictionary of Computing	40.00
Dictionary of Crimnology	40.00
Dictionary of Ecology and the Environment	40.00
Dictionary of Govt. and Politics	40.00
Dictionary of Information Technology	40.00
Dictionary of Marketing	40.00
Dictionary of Personnel Management	40.00
Dictionary of Printing and Publishing	40.00
Elementary Scientific and Technical Dictionary	35.00
Everyman's English Pronouncing Dictionary	60.00
Illustrated Computer Dictionary	40.00
Illustrated Electronics Dictionary	40.00
Law Dictionary	40.00
Medical Dictionary	40.00
MANAGEMENT	
Effective Interviewing	25.00
How to be an Even Better Manager	40.00
How to Give Quality Service to Your Customers	35.00
How to Plan Exhibitions and Conferences from A to Z	35.00
How to Talk so People Listen	35.00
Never Take No For An Answer – A guide to Successful Negotiation	25.00
Practical Problem Solving for Managers	40.00
Productivity Plus + : How today's best run Companies are gaining the competitive edge	40.00
Selling to Win – Tested Techniques for Closing Sales	30.00
Superselling Through Self-Talk	35.00
The Ethics of Management	35.00
The 44 Most Common Management Mistakes and How to Avoid Them	25.00
The Wall Street Journal on Management	40.00
The Wall Street Journal on Marketing	40.00
Tomorrow's Global Executive	40.00
SELF-IMPROVEMENT	
Arabic for Beginners	30.00
How to Boost Your Brain Power	35.00
Improve Your English	25.00
Improve Your Wordpower	25.00
Very simple Grammer of English	25.00
Yoga Postures for Higher Awareness	35.00
"PROVEN SUCCESS METHODS" SERIES	
Here's Help! To Get Rid of Your Problems	35.00
How to Get Whatever You Want	35.00
How You Can Get Richer ....Quicker!	35.00
Thoughts to Build On	35.00
SCIENCE/COMPUTERS	
Basic Computer Programming	25.00
The Usborne Book of Science	150.00
The Usborne Science Encyclopedia	175.00
GENERAL	
Adventures of Sherlock Holmes	25.00
Astrological Predictions of the Major Countries of the World – The Next Twenty Years, 1990-2010	45.00

To Buy Books through the L.B.S.* Step 1. Just tick the books you want to purchase from the given list. Step 2. Fill your name and address in the coupon. Step 3. Tear out this ad and mail it to UBS at the address given below along with your Money Order/D.D./Cheque/V.P.P. (post free)
That's it, we will then send the books to your address free of delivery charges.

Yes, do send me the books ticked in the list above, enclosed please find my Money Order/D.D./ Cheque/V.P.P. (post free)

Name: _____

Address: _____

UBS Publisher's Distributors Ltd.
5, Ansari Road, New Delhi-110 002.
Branches: Bombay, Bangalore, Madras, Calcutta, Patna & Kanpur

UBS
India's last word on book distribution worldwide.
Available at all leading book stores.

vestment economically viable, ders should be placed for at ast three years.

For indigenously developed fence items, the chamber has ggested that deemed export nefits should be granted for e first three years.

Finally, whenever defence or- rs are placed, an essentiality rtificate should be issued to e unit to avail of concessional ty on the import of raw mate- als and components.

ea dealers' protest

ne Western India Tea Dealers' ssociation has protested gainst the government's deci- on to discontinue the separate ction system and to lift con- ol governing tea auctions. The ssociation says this would lead a steep rise in tea prices.

The decision by the commerce inistry runs contrary to the binet decision to bring down a prices, according to the asso- ation. It also alleges that "the overnment has played into the ands of the producers' lobby" y doing this.

Shipbreaking record

he Indian shipbreaking indus- y accounted for the highest vol- me of ship demolitions in the orld in 1989. India was fol- owed by the People's Republic f China. According to Lloyd's egister, India demolished .675 million tonnes of the orld total of 2.5 million GRT. But 2.5 million GRT is the lowest igure for shipbreaking in 25 ears. The decline in shipbreak- ng is attributed to improved reight rates and appreciation of econd-hand tonnage values.



Foreign aid for leather industry

The industries ministry is looking for foreign assistance to upgrade training facilities for the Indian leather industry. Ajit Singh, union industries minister, said that since facilities for training manpower were inadequate in the leather industry, steps to update them were being taken.

He also suggested that during the Eighth Plan period a modernisation fund be set up to cater to the financial requirements of small and medium units in the leather sector. "To enable India to compete in the international market, modernisation of the leather industry is essential," Singh said.

Ship acquisition simplified

Ship acquisition procedures have been simplified. Now private sector shipowners will get foreign exchange and price clearance directly from the Shipping Credit and Investment Corporation of India (SCICI).

Earlier the approval of the director general of shipping (DGS) and the finance ministry was necessary before shipowners got the okay to acquire vessels.

AP cane growers to benefit

Sugar factories in Andhra Pradesh will now have to meet the harvest and transportation cost of cane growers. This was decided on the recommendation of a high-powered committee constituted by the state government to suggest a sugarcane price structure.

M. Baga Reddy, chairman of the committee, claims that implementing the decision will prevent diversion of sugarcane to Maharashtra, Karnataka and Tamil Nadu growers in the border areas.

Rubber amendment bill resented

The rubber amendment bill has been criticised by rubber goods manufacturing units. The bill seeks to hike the cess on natural rubber from 50 paise to Rs.2 per kg.

According to the All India Rubber Manufacturing Association, the bill, if passed, will hurt consumers using rubber *chappals*, agricultural hoses, cycle tyres etc, as the cess to be paid by the manufacturers will be passed on to them. The association has urged the government to withdraw the bill in order to contain inflation.

LABOUR

Sugar workers' demands

The union government has conceived a tripartite meeting of workers, employees and the state government to consider the various demands of workers in the sugar industry. The workers expressed their dissatisfaction with the recent government notification on sugar industries wages.

According to the notification, the new wages would range between Rs.800 to Rs.3,050 depending on the category and nature of workers. The union minister for labour Ram Vilas Paswan, felt that the workers' demand required detailed examination. A joint meeting was therefore necessary to solve the problem, to be held on 8 September.

Non-cooperation agitation

A 132-hour non-cooperation agitation launched by the Sadon Asom Karmachari Parishad ended on 15 August having completely paralysed work at government offices in Assam. About 353,000 employees had participated in the agitation, demanding immediate publication and implementation of the 1988 pay commission report.

SBI decision upheld

The Madras High Court has upheld the validity of the SBI decision to cut a day's wages of employees who went on strike last October, demanding implementation of an earlier wage



settlement.

Discussing a writ petition from the SBI staff union, Justice S. Ramalingam said that the question of whether the strike was justified, and legal or not, paled into insignificance and declined to quash a circular announcing the wage-cut. He further added that workers are aware of the consequences of a strike. And since the workers withhold their labour, they cannot expect to be paid.

Besides quashing of the circular dated 12 October 1989, the union sought a direction to the bank not to effect any deduction for the 16 October strike.

Bonus for port employees

The government has decided that all eligible employees and workers of the 10 major port trusts — Bombay, Calcutta, Madras, Visakhapatnam, Cochin, Mormugao, Kandla, Paradip, Tuticorin and New Mangalore — and of the seven dock labour boards at Bombay, Calcutta, Madras, Visakhapatnam, Cochin, Mormugao, and Kandla, will be paid productivity linked bonus at the rate of 16.52 per cen salary or wage earned by the ployee or worker during the 1989-90.



BEST wage hike

More than 35,000 employe the BEST will get a wage hi between Rs.135 and Rs.285, retrospective effect from 1 Ja ary 1988. According to B general manager, Manmo Singh, the wage hike will b the period 1 January 1988 t March 1990. The hike wil volve an additional finan burden of Rs.32 crore. Singh formed the Municipal Corp tion Committee that administration would be ab give ad hoc payment amoun to Rs.17 crore to the emplo before the Ganapati festival, the remainder before Diw

DIARY

DATE	SUBJECT	ORGANISER	VENUE
17 to 21 September	**International marketing**	XLRI, Jamshedpur Co-ordinator, MDP Division, XLRI Post Box No. 222, Jamshedpur-831 001 Tel: 25231	Bombay
17 to 21 September	**Management information systems**	Institute for Financial Management and Research, 30, Kothari Road, Nungambakkam, Madras-600 034 Tel: 473801	Madras
18 to 21 September	**Managerial skills for women managers**	Shri Ram Centre for Industrial Relations and Human Resources, 4E/16, Jhandewalan Extn., New Delhi-110 055 Tel: 519064	Hotel Taj Palace, New Delhi
20 September	**Quality circles**	Creative Communication and Management Centre, 2nd Floor, Raja Bahadur Mansion, 8 Ambalal Doshi Marg, Bombay-400 023. Tel: 273006	Hotel Searock Sheraton, Bombay
21, 22 September	**Creative problem solving**	Bombay Management Association, 9 Podar House, Netaji Subhas Marg, Bombay-400 020. Tel: 2047650	The Centaur Hotel, Bombay Airport
22 September	**Loss prevention in materials management**	Indian Institute of Materials Management, 205 A, Arun Chambers, Tardeo Road, Bombay-400 034 Tel: 4948854	Taj Mahal Hotel, Bombay
24 to 26 September	**Project formulation and appraisal**	Himachal Productivity Council, Nigam Vihar, Shimla-171 002 (HP) Tel: 78127	Shimla
24, 25 September	**Energy conservation — Computer aided approach**	C/o National Productivity Council, 12, Manikeswari Road, Kilpauk, Madras-600 010 Tel: 666191	Hotel Taj Bengal, Calcutta

If only the Guinness Book of Records had a section on Pumps, we'd be in it.

World's first seventh edition pump (API-610)

From the first name in pumps, comes the last word in pump technology.

CHEMFLO–AKP seventh edition pump as per API-610 is the first of its kind in the world.

Years ahead in performance, the pump is the product of AKAY's in-house research and product development through CAD/CAM to meet the exacting standards of API-610 (Seventh edition.).

CHEMFLO–AKP seventh edition pump's incredibly rugged design makes it energy efficient as well. Ideal for Petrochemical, Refinery, Fertilizer, Nuclear and Chemical Industries.

Add it all up! And you can see why the AKP series seventh edition pumps are something even people from America, Europe, Middle East and Japan are excited about.

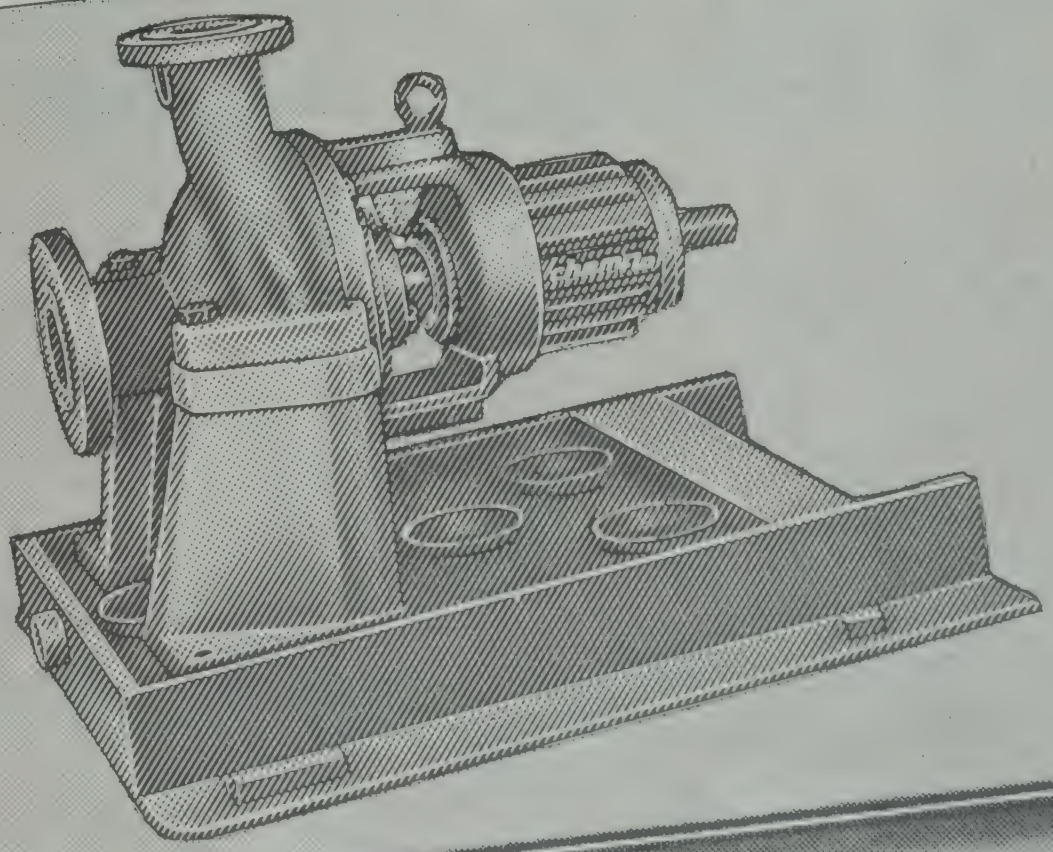
CHEMFLO-AKP seventh edition! It's what the world has been waiting for!

AKAY INDUSTRIES

Sales Headquarters
Post Box 6557,
Bombay 400 018, India.
Gram: AKAYIND.
Telex: 011 73771 AKAY.
Phone: 492 4590.
Fax: 494 6677

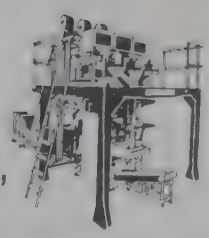
Branch Sales Offices
New Delhi • Calcutta • Madras • Vadodara

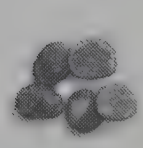
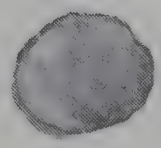
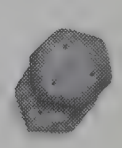
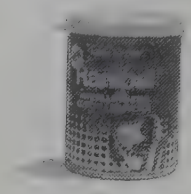
Manufacturing Plant
Hubli 580 020, Karnataka, India.

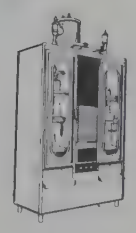


chemflo® Leadership... by design

ARMS-AK-CCDP-14-R

NICHROME PRESENTS A STATE-OF-THE ART,  INDIGENOUSLY DEVEL

AND POWDERS LIKE  ,  ,  ,  ,  ,  , 

PACKAGING MACHINES,  THAT PACK  LIQUIDS LIKE  , 

THESE MACHINES WITH THE HELP OF PRECISION WEIGHMETRIC AND VOLUME

MINIMUM EXCESS 'GIVE-AWAYS'. THEY ARE RUGGED, ASSURE ✓ CONSISTE

NO WONDER TATA TEA  , LIPTON  BROOKE BOND 

GLAXO  , PARRY'S  , CADBURY'S  , PARLE  , NE

US FOR THEIR PACKAGING.

SO BEFORE YOU DECIDE ON PACKAGING SYSTEMS FOR YOUR PRODU

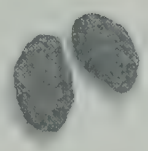
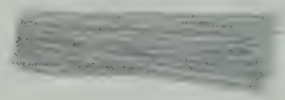
NICHROME METAL WORKS PVT. LTD. Head Office: 46, Dr. Ambedkar Road, Near Sangam Bridge, Pune 411 001 (India) Tel: (0212) 667310, 662137 Grams: NICHROME, Telex: 0145-451 NM

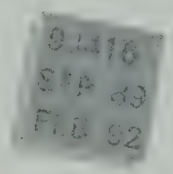

RANGE OF AUTOWRAP

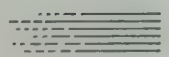
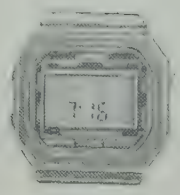
PACKAGING MACHINES, THAT PACK SOLIDS

,

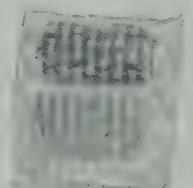
,

,

,

; AND FILPACK

EY WEIGH, FORM, FILL, SEAL AND EVEN DATE-CODE

THE PACKS.
LING ATTACHMENTS, ENSURE TREMENDOUS SAVINGS

BY WAY OF
ID SPEED

ROUND THE CLOCK

, AT THE RATED CAPACITY.
OCTER & GAMBLE

, HOECHST

, DR. BECK & CO.

,


AREY
, BARODA DAIRY, WARANA, KMF, KATRAJ

, HAVE TRUSTED
ONTACT

nichrome .

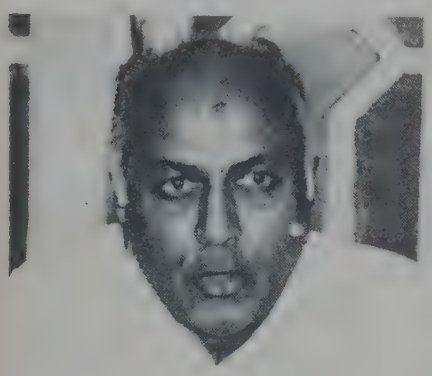
C/o 0212-436798 Bangalore Office: 72, 8th C Main, 27th Cross, 4th Block West, Jayanagar, Bangalore 560 011.

SJAS 90059

G. SUNDARAM

G. Sundaram, additional secretary, ministry of commerce, has some firm views on the role of air and sea transport in external trade. "To achieve our export target we need a very strong infrastructure," he says. Realising the importance of sea and air transport, the commerce ministry has placed special emphasis on development of infrastructural facilities.

Sundaram sees the rupee trade disappearing in the near future. "In such a scenario, unless freight rates are cheap and services regular, Indian exports



will not be competitive," he warns. He also suggests that the Shipping Corporation of India and Air India should play a promotional role by providing services, even if cargo support is not adequate initially.

AJIT KERKAR

Ajit Kerkar, managing director of the Indian Hotels Company which runs the 36-hotel Taj group, has roped in Bank of India and Mastercard to launch what it calls The Taj Premium Card. The card automatically entitles every holder to personal accident insurance, worth Rs.1 lakh and the facility to withdraw upto Rs.3,000 a month from any Bank of India branch in the country.

Kerkar, who has taken his company into areas ranging from trading to transport ser-



vices, shopping arcade management, public relations and HRD consultancy, says the Taj card "is poised to become the country's leading credit card". Apart from being valid in Taj hotels, the card will also be accepted by 15,000 retail outlets in the country.

G.B.K. RAO

G.B.K. Rao of Powmex Steels Ltd, an upcoming steel company in Orissa, is bringing in advanced powder capsule forging technology for the first time in the country. He says, "The powder metallurgy route gives high speed steel an exceptional quality in terms of toughness, wear resistance and dimensional stability. It also fetches a much higher price than the conventional ingot route." Powmex is setting up a Rs.70-crore, 3,750-tonnes per annum, high speed steel plant in technical collaboration with Bohler GmbH of Austria.

A mechanical engineer by profession, Rao is managing director and one of the three main

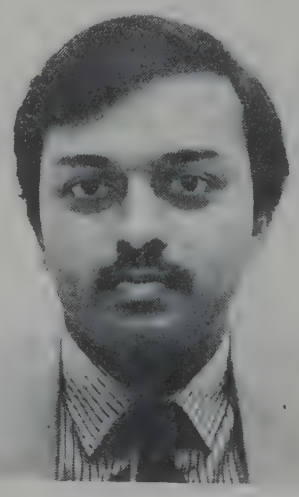


promoters of the company. He does not anticipate any problem in selling the steel, as the demand in the country is about 5,600 tonnes per annum, while production is a mere 800 tonnes.

YOGESH GUPTA

Five years ago when Yogesh Gupta graduated in chemistry from Madras University, he decided to branch out from his family's restaurant business to manufacture printed circuit boards (PCBs) for the electronics industry in a factory at Sullurpet, in Andhra Pradesh.

The company, Professional Circuit Boards, has a capacity of about 5,000 sq metres of PCBs which Gupta is planning to expand to 20,000 sq metres at a



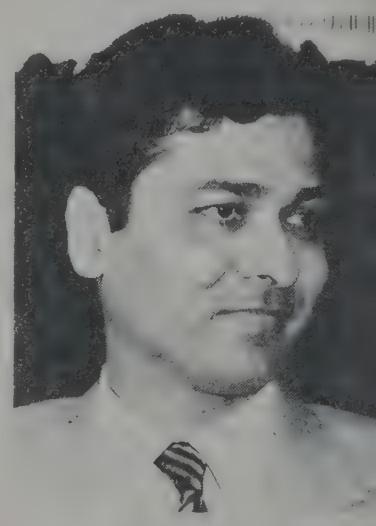
cost of Rs.2.65 crore. Says Gupta, "Now we are making single and double-sided PCBs. After expansion, we will also make multi-layered PCBs. We hope to export at least 25 to 30 per cent of our production in the years to come." The company has a buy-back arrangement with its collaborator, Argos Electronics of the UK.

ASHOK SARAF

The target date has been set. In another two years, Ashok Saraf, director of Gupta and Goel Company, which manufactures the Siwa brand of clocks, expects to double its current annual turnover of Rs.3 crore. "Our sights are not immodest," says Saraf,

"as the Rs.100-crore indus
growing at an average an
rate of 20 per cent."

Despite stiff compet
from smuggled clocks,
feels that his company's dis
tive clocks — especially the
designer Goldline range, w
comes encased in ma
leather, mirror and ceram
will set them apart in the
ket. The clock company al
occupies a comfortable nic
the market, as big names
HMT and Titan are concen
ing on wrist watches.



GUENTER KRUEGER

The executive director of
Indo-German Chamber of C
merce, Guenter Krueger, fi
Indian potatoes fascinat
"India has never been ass
ated with potatoes in the E
pean mind," he says. "This is
considering the wide variety
the quality of potatoes the co
try has to offer." And he wo
like to do his bit to help.
chamber will devote the n
few weeks to looking for
Indian company willing to s



y potatoes to an eager German porter.

Krueger has lived in India for er two decades and has been e of the key figures respons-e for the happy state of Indo-rman trade relations. "On my cent trip to Germany, I had scussions with 19 companies o want to collaborate with dians, in areas ranging from owing potatoes to machine ilding and printed circuit ards," he says.

MIKE SHAH

ike Shah, the chief executive ficer of Digital Equipment ndia) Ltd (DEL) has recently unched a "joint marketing rogramme". Under this pro-amme, software developed in dia will be sold to business rtners abroad through DEL's rldwide network. DEL has al-ady tied up with MASTEK for e purpose. Says Shah, "Apart om MASTEK, we're trying to



pe in five more Indian com-nies under the programme." In another arrangement, EL's Indian software partners ll sell the software directly to stomers abroad. "We'll how-er, test the locally manufac-red software before commending them for ex-rt," explains Shah.

P.P. MADAPPA

P.P. Madappa, managing di-ctor of Karnataka Antibiotics Pharmaceuticals Ltd (KAPL), seems quite pleased with him-self, he has reason to be so. He runs a rare public sector com-pany — one that does not have any accumulated losses. For its performance, KAPL was recently awarded the Indira Gandhi Pri-yadarshini Award, for excel-lence in management of a public sector unit, by the All India Na-tional Unity Conference, New Delhi.

KAPL now plans to manufac-ture animal birth control injec-tions. Shortly, the company will also manufacture AIDS diagnos-tic kits. Says Madappa, "While we diversify into new areas, we will continue to remain in our traditional field of life-saving drugs."

KEITH BURGESS

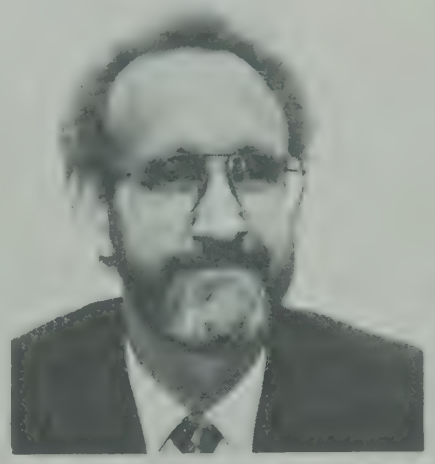
"You don't learn much at 30,000 feet up in the air and that's why I like to keep my feet firmly on the ground," says the globe-trotting managing partner of Anderson Consulting, UK and Ireland, Keith Burgess. An expert in large scale project management, Burgess is currently working on a major systems integration project for the department of so-cial security in the UK. The pro-ject: to computerise the entire social security system.

On his first visit to India, Bur-gess, a solid-state physicist, feels that the scope for growth in management consultancy is tre-mendous in India. "In the UK, we are growing at the rate of 15 per cent a year while Anderson Con-sulting India has been growing at a rate of almost 50 per cent during the last two years."



WILLIAM T. BEIERWALTES

Colorado Memory Systems (CMS), a division of Colorado Time Systems of the US, is one of the leading manufacturers of cartridge tape drives (CTD), used for storing tape back-ups of computer data, in the US. The company, which has a licence ar-rangement with TVS Elec-tronics, the Madras based manufacturer of computer pe-ripherals, now plans to sell these CTDs in India. And why not?



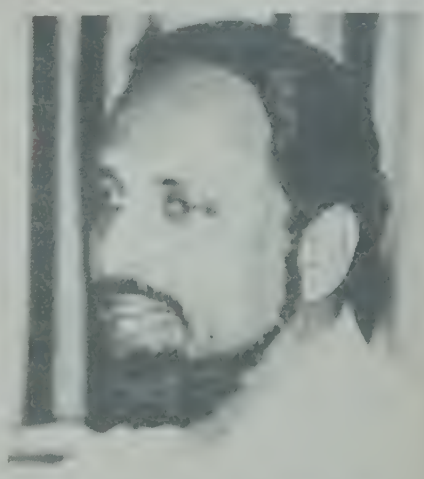
William T. Beierwaltes, presi-dent and one of the founders of the company, estimates "a mar-ket of at least two to four million units in India".

CMS presently markets a CTD with a capacity of up to 120 MB on a single pocket-sized car-tridge. It has recently developed a CTD which can store capacity upto 250 megabytes (MB).

JOY CHERIAN

Among several successful Indians living in the US, Joy Cherian has come a long way. First nominated by president Ronald Reagan in 1987, he was renominated in 1988 as commis-sioner of the US Equal Employ-ment Opportunity Commission, for a five-year term.

The Commission is a law en-forcement agency dealing with employers in the US who dis-criminate on the basis of race, colour, sex, national origin or re-ligion. It also helps formulate the US government's guidelines



for investigating instances of discrimination. Says Cherian, "My presence has brought a new sensitivity of approach in this area."

TREVOR POSTLETHWAITE

Computerisation of Indian in-dustry is proceeding apace, with several computer-aided design and manufacture technologies coming into the country. The lat-est entrant is the US-based CAD/CAM design company, In-tegraph Corporation, which will soon introduce a complete solu-tion package to Indian industry. Says vice-president Trevor Post-lethwaite, "Our systems were be-ing distributed by Rolta India for the past six years. Now Inte-graph will help Rolta in the man-ufacture of engineering workstations and other associ-ated hardware."

Integraph will have no finan-cial stake in Rolta India, which is entering the capital market to raise funds for the manufactur-ing unit. "We just want to ensure that the image of Integraph is projected right in India," says Postlethwaite.



NOW EVERYTHING ELSE IS HISTORY

The Godrej 900 Series. Absolutely the last word in printer technology. Never before have you had so many functions and facilities. Packed into a sleek, yet rugged frame.

LIGHT AND COMPACT DESIGN

A smaller footprint. The smallest width of all 132 column printers. Engineered for heavy duty. Yet light by design. You can even carry it to a service centre for on-the-spot attention.

QUICK, CONVENIENT OPERATION

The maximum number of functions ever located on the front panel. Over 25 on the top-line models. Including important functions normally found only on DIP switches.

Plus key diagnostic features available on-line. For the first time in India. And DIP switches and interfaces on the side just next to your right hand.

VERSATILE, EASY PAPER HANDLING

Paper handling is child's play with

E L E C T R O N I C B U S I N E

Godrej & Boyce Mfg. Co. Ltd., Marketing Dept., Plant 16, Pirojshanagar, Vikhroli, Bombay 400 079. Tel: 589241/51/61/71. Tlx: 011-71502 GOVK.
BRANCH OFFICES: BOMBAY (NORTH) Tel: 588451-58 • **Bombay (South)** Tel: 2048371 • **Bombay (Mofussil)** Tel: 589289 • **Ahmedabad** Tel: 831545 • **Bhopal** Tel: 554076/77/78 • **Indore** Tel: 21162/63 • **Jabalpur** Tel: 27321 • **Pune** Tel: 668968/69 • **Rajkot** Tel: 24919 • **DELHI** Tel: 6845002/07

the 900 Series. You have every facility. Better friction feed. Push/pull tractor assembly. Paper Park. Auto Paper Load. And even an Auto Cut Sheet feeder as an option.

QUIETER PERFORMANCE, MUSICAL CUES

40% quieter than earlier generation printers. And the Quiet Mode is even quieter.

More, the 900 Series uses musical notes to alert you to key operating factors. Not harsh, rude beeps like the others emit.

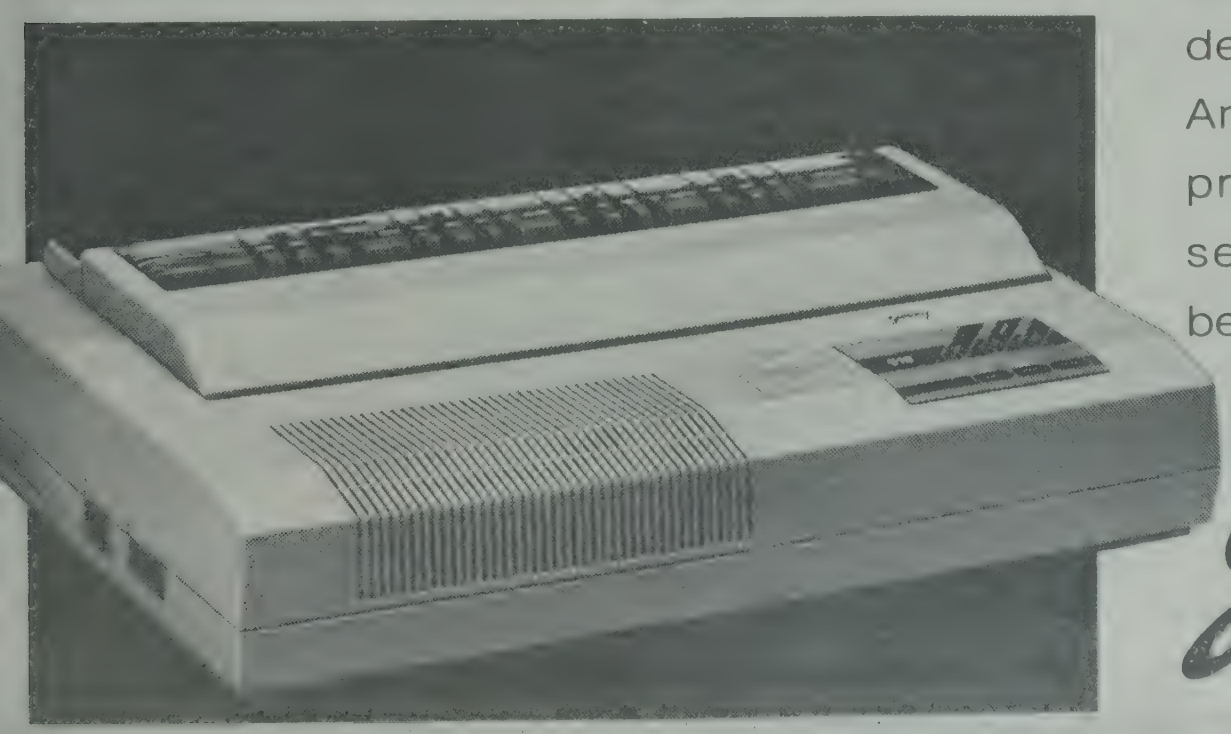
RUGGED, RELIABLE ENGINEERING

One of the finest printheads ever offered in India. With a life of 200 million characters – or over 500 million strokes.

EASY SERVICEABILITY, WIDEST SERVICE CENTRE NETWORK

The 900 Series is designed for rapid servicing. And Godrej has a nationwide service centre network. So you are assured of minimum down time.

The Godrej 900 Series Dot Matrix Printers. Ask for a demonstration today. And see why Godrej printers make better sense than ever before.



ULKA-13377

S S E Q U I P M E N T

Godrej 900 SERIES ®

E3E

• **Chandigarh** Tel: 44328 • **Faridabad** Tel: 24477 7• **Jaipur** Tel: 62182 • **Kanpur** Tel: 210135 • **Lucknow** Tel: 248963 • **CALCUTTA** Tel: 200961-66
• **Bhubaneswar** Tel: 406544/405082 • **Guwahati** Tel: 33172 • **Patna** Tel: 225380/225886 • **Jamshedpur** Tel: 28803 • **BANGALORE** Tel: 575902/577036
• **MADRAS** Tel: 479695 477615 • **Cochin** Tel: 366284 354815 • **Hyderabad** Tel: 230875 • **Trivandrum** Tel: 78104 • **Visakhapatnam** Tel: 60178/61250

INSTALLATIONS FOR HIGH-FREQUENCY WELDING WITH LAMP GENERATORS

Ideal Connection Simultaneously Over the Whole Welding Circuit

- during 5 s welds up a part over a 3-m closed circuit;
- ensures high efficiency in production of straight-seamed, spiral-seamed and ribbed tubes, non-closed profiles, sheathings of electric cables and in joining parts of the same type along the rolled edges;
- material of parts being welded : low-carbon and alloyed steels, aluminium, copper, titanium and their alloys:combinations of heterogeneous metals andalloys;
- provides : stabilization of anode voltage; smooth adjustment of voltage at loading; quickly operating anti-emergency protection system; automatic adjustment of duties (on Customer's request);
- installations are carried out in the form of separate blocks;
- inductor is fulfilled in accordance with the drawing of the Customer.



ELTEMEK®

Exporter :

V/O SOVELECTRO

Cor. 1, ½, Sadovaya-Spasskaya Ul.,
Moscow, 107078, USSR,
Phone : 208-28-37

YUDOOT

etting an unhappy precedent

yudoot's move to appoint L.M. Couriers handle the 'consolidation' of packets om smaller couriers on an exclusive sis seems to have backfired. The feeder rline's decision to disallow Patel On-oard Courier (POBC) and The OBC, the o consolidation companies from oper-ing on the Delhi-Bombay-Delhi route s raised eyebrows in the Rs.150-crore urier industry. The decision was imple-ented on 25 June. "The manner in which is appointment has been made is ques-onable. If this practice isn't stopped at e beginning, similar appointments uld be made by the two other national rlines which would be a threat to our siness," explains a member of the Cou-er Council of India, the official associa-on of the country's courier industry.

In March 1990, Vayudoot 'wet leased' a oeing 727 from the Royal Nepal Airline orporation and began a new Delhi-Bom-y service. The courier cargo for this late-ght flight is around 5 tonnes per trip. his is worth Rs.3 crore per year in reve-es to Vayudoot.

xclusive handlers. Till Vayudoot began is flight, only two consolidation com-nies were in operation, POBC and The BC. The Delhi-based L.M. Courier, eaded by Anil Saraf, restricted itself to tail business but began consolidating hen the new flight began. Vayudoot ap-ointed L.M.Couriers as its exclusive han-ing agent for consolidation on a mmission of Rs.2 per kg. Also, LM was xempted from paying security charges of .100 on every 40kg bag it carried. It was ear that both the commission and the aiving of the security charge would give M a competitive edge. POBC handled 60 er cent of the consolidation activity on ie Vayudoot flight before the new ppointment.

The controversial appointment was ade through Vayudoot Ultrafast Cou-ers, a division of the airline. The practice llowed by government organisations is place a tender in newspapers. Vayudoot aims it did release an advertisement in *he Hindustan Times* of 18 May 1990. F.J. esouza, managing director of POBC ex-lains: "The advertisement carried just a ox number. Being a government agency, y concealing its identity, Vayudoot has vi-lated the provisions of article 14 of the onstitution whereby an opportunity has be given to all interested parties to offer their services and only then can a final selection be made. This is why we have challenged the appointment."

Patel On-Board filed a writ petition in the Bombay High Court before Justice M.L. Pendse, who delivered the interim order on 7 July. The order states that Vayudoot and its courier division have been ambiguous in the matter and the appointment of L.M. Couriers is highly suspicious. The order found it necessary to restrain Vayudoot and its courier division from giving effect to the letter dated 18 June 1990. It further ruled that L.M. Couriers should not be permitted to act as handling agent as long as the petition was pending.

Then came the riposte. Vayudoot, its courier division and L.M. Couriers appealed before the divisional bench of the Bombay high court, consisting of chief justice C. Mukherjee and Justice S.P. Barucha. Justice Pendse's stay order was vacated on the grounds that the appointment of L.M. Courier is a temporary arrangement and that a proper selection would be made by 31 October 1990, failing which the aggrieved parties will have the right to appeal in court. Also the appointment will be made from among the companies which responded to *The Hindustan Times* advertisement following the scrutiny of a committee appointed by Vayudoot. "The advertisement has only vaguely mentioned the eligibility criteria," says a partner of a leading courier company and one of those who responded to the advertisement.

Discriminating rates. "L.M. Couriers' continuing, even temporarily, should have been on the same conditions as apply to other co-loaders. Why have discriminating rates?" asks a spokesman of another leading courier company and a contender for the appointment. When *Business India* asked Harsh Vardhan, managing director, Vayudoot, for his comment, he said that since the matter is sub-judice, a comment would amount to contempt of court.

Meanwhile, Patel On-Board has begun the next legal round by filing a special leave petition in the Supreme Court to allow it to appeal against the order of the division bench of the Bombay high court. The industry's view is that if the final judgement favours L.M. Couriers, it would set a precedent for temporary appointments made by other government agencies. And these arrangements would become permanent if unnoticed and unchallenged in court.

■ LANCELOT JOSEPH

WANTED
COURIER FRANCHISEES

Leading courier organisation serving a wide network of over 80 stations all over India, wishes to franchise its marketing & operations on all India basis.

After scrutiny of details of parties, details of project will be sent to selected parties to enable them to submit the financial offer.

Interested parties with a solid financial background & past experience in courier operations may send a detailed proposal alongwith their offer, within 15 days of this advertisement to Box 401968, Hindustan Times, New Delhi-110001.

Vayudoot's ad: a case of concealed identity

MADRAS PORT TRUST

Satellite port needed

Traffic at Madras port has been on the increase. During 1985-86, the port handled 18.14 million tonnes (mt) of cargo. This increased to 23.94 mt during 1989-90 with a berth occupancy level ranging between 90 and 95 per cent, except in the berths allocated for oil, ore and containers. A. Balraj, chairman of the Madras Port Trust (MPT), rightly stated at a seminar on 'The challenges of change facing the port industry', that "the traffic pattern at this port has reached saturation point. A satellite port at Ennore has become a necessity."

Long on the agenda. Port trust sources claim that the goverment has been considering the possibility of setting up a satellite port for almost two years. Meanwhile, the decision of the Tamil Nadu Electricity Board to set up a new superthermal plant, which would mean greater traffic of coal cargo, now makes the commissioning of the new port imperative.

Currently, the MPT handles 10 mt of dry bulk cargo, of which coal constitutes 3 to 3.5 mt. The new plant will require an additional 8 mt, which will have to be transported from the Talcher mines in Orissa through Paradip, and transported by sea to Ennore. Given Ennore's proximity to Manali, where MRL (Madras Refineries Limited) is also located, business for the satellite port will increase considerably once industry in this area develops as scheduled.

The MPT foresees a sizeable increase in cargo traffic, and a satellite port is expected to share this load. According to estimates, the break-bulk cargo traffic through Madras port should increase to 6.5 mt by 1994-95, of which 3.5 mt will be handled in containers and 3 mt in break-bulk. Currently, MPT handles 4 mt of cargo in break-bulk, of which containerised cargo constitutes one million tonnes. "The potential for export cargo will increase if, as in Singapore and Colombo, ports are treated as an export industry and our services are priced in dollars," says S.C.C. Anthony Pillai, a trustee of the MPT.

Foreseeable hike. Industry sources also expect container traffic to increase substantially if the existing cabotage rules, which govern the movement of such traffic, are changed. Currently, Indian ports are functioning as feeder ports for Dubai, Colombo and Singapore. Says K.S. Raman, vice-president, Gokak-Patel Volkart Ltd, "Madras, along with Nhava Sheva, where full fledged container facilities have been developed, should be thrown open to large main-haul vessels. This will increase container traffic in the region." However, the Shipping Corporation of India has opposed the move. It argues that there is no guarantee that foreign shipping lines will tranship from Indian ports, because of the higher cost of transhipment involved.

Certain other factors can also help increase traffic through Madras port. "With Europe opting for a common market, a countertrading bloc will be created by the Pacific nations including Japan, US, South Korea, Indonesia, Australia, Taiwan, the Philippines, Singapore and Hong Kong," says Pillai. Owing to its proximity to these nations, Madras is expected to be from this development. It is estim that by the end of the Eighth Plan, Ma and its satellite port at Ennore, can ex a total traffic of 33.5 mt — 28 mt and mt, respectively. The breakdown: 12 m liquid bulk, 15 mt of dry bulk and 6.5 of break-bulk cargo.

MPT authorities are waiting with gers crossed for the satellite port t sanctioned. Involving a total cost of Rs crore, the first phase which will take years to complete, will cost Rs.288 cr The facilities to be created during phase include coal and chemical hand complexes, special berths to handle n ral gas and LPG and lay-off berths for s breaking. The MPT authorities exp work on the project to commence mid-1991 if it is sanctioned as schedu

■ DHARANI K. P



The Madras Port Trust: waiting with fingers crossed

VANASPATI

Bad times

As the rise in edible oil prices defies attempts at control, the vanaspati ind try has been left floundering. Many va aspati units have been forced to production and some have even clos down. This oil year (November 1989 to N vember 1990), vanaspati production is timated to be between 800,000 to 850,0 tonnes instead of the normal one milli tonnes. "It has been an extremely diffic year for us," says B. Mallik, managing rector, IVP (Indian Vegetable Product Ltd.

Producers of vanaspati (made by refi ing and hydrogenating vegetable oils) a ready faced a raw material shortage, give the estimated shortfall of 1.5 millio tonnes in India's edible oil supply. Unab to contain rising prices, the governme imposed austerity measures, which a fected the vanaspati industry adversel In early July, the stock limit that edible o and vanaspati manufacturers were a lowed to hold was reduced from a month production to two week's productio When mustard/rapeseed oil prices ros from Rs.25,000 to Rs.26,000 per tonn along with prices of other oils, the goveri ment stopped vanaspati units from usin the quota of up to 20 per cent of expelle (unrefined) mustard/rapeseed oil fo their production. The vanaspati industry which is barred from using imported o major oils like groundnut, was thus de prived of a major raw material.



THE PROFESSIONAL CAMERA EVEN BEGINNERS ARE FLIPPING OVER



With the new EOS 700QD, Canon technology hasn't just created another great addition to the award-winning EOS range. It's practically created two great cameras in one. The real beauty of this ingenious new EOS lies in a unique Reversible Shutter Dial that lets you flip from manual shutter speeds to simple Programmed Image Control in seconds flat. The end result are pictures and effects that will excite everyone from a first-time SLR user to a serious professional.

And since the Canon EOS 700QD is fully compatible with any of Canon's EF Lenses — from super wide-angle fish-eye to extra long telephoto, we really do mean serious.

Combining world-beating Canon standard features like an auto-retractable flash and EOS evaluative metering in a sleek, but sturdy body, the new EOS 700QD is a camera nobody can miss with. For a free colour brochure, complete and return the coupon today.

To: CANON HONGKONG TRADING CO. LTD.
Room 1101 Peninsula Centre, 67 Mody Road, Tsimshatsui East, Kowloon, Hong Kong

Name _____

Address _____

_____ Tel No. _____

Canon
EOS 700QD



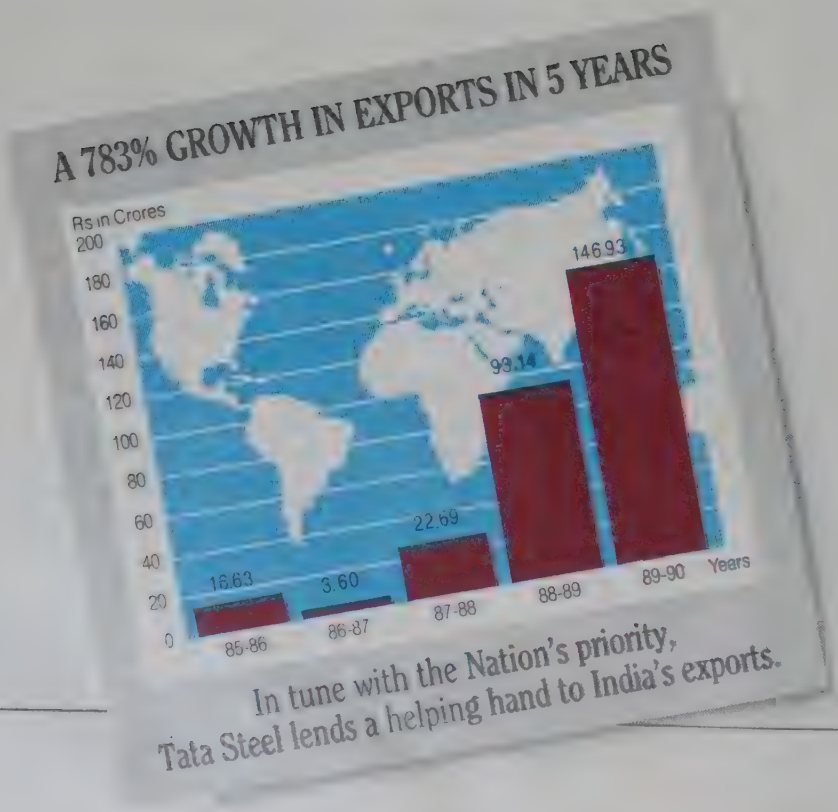
Agents: Mahatta & Co. P.O. Box 492, 59 M Block, Con Circus, New Delhi — 1 Phone: 3530008 K. Prabhakar 195, D.N. Road, 2nd Floor, Fort, Bombay 400 001 Phone 263827 Deen Dayal Camera Repairers

In the Gulf, we'v
to take a little peppe
while having a lot o
wire rods

Not only in the Gulf, in the US
in Australia, in Japan and in
Zealand, in Bangladesh, in Chin
West Germany and in many
countries, Tata Steel, today
exporting a wide range of produc

The objectives are evidently
To ensure foreign exchange earn
which are a national priority, a
establish a long-term quality le
ship for the Company and the co
in the global market.

In just six years, Tata Steel (w
turnover of Rs 146 crore) has bec
one of the country's largest expor



persuaded people

range not only covers engineering ods and raw materials but also mmodities such as black pepper, ffee and black tiger shrimps. In spite its large imports of equipment and w materials for the on-going odernisation drive, Tata Steel, today, a nett exporter. For 1985-86, the ompany won the prestigious National ward for Exports.

Today, Tata Steel is spreading all its oneering expertise and experience ross the seas to build a long term se for India—all over the world.

ata Steel Exports:

eel and eel-based gineering oducts	- Wire rods, re-inforcing bars, structurals, tubes, wires, bars, cranes, rolls, bearings, etc.
aw Materials	- Chrome ore & concentrates, manganese ore, ferro-manganese, ferro-chrome, charge chrome, refractories, etc.
ommodities	- Black pepper, coffee, black tiger shrimps.



Discussions that are opening up new markets in the Gulf

TATA STEEL

DECADE OF EXPORTS

1990 2000

TATA STEEL

The first and still the foremost



Ashok and Radisson offer you new standards of world class hospitality at Delhi

Radisson Hotels Corporation with its dynamism, its philosophy 'Yes I can' is the fastest growing hospitality group in the world, with hotels at 240 locations.

Ashok now joins hands with Radisson to bring you the finest international hospitality at New Delhi and three other places in the country. With a new work culture, a new ethos to ensure even greater consumer satisfaction.

Other Ashok Radisson Hotels: Ashok Radisson Lalitha Palace Hotel, Mysore; Ashok Radisson Hotel, Bangalore; Ashok Radisson Beach Resort, Kovalam.



VISIT INDIA
TOURISM YEAR 1991

Ashok Hotel, New Delhi

An affiliate of Radisson Hotels Corporation

50 B Chanakyapuri, New Delhi-110021
Tel: 600121, 600412 Cables: ASHOKAHOTEL
Telex: 031-65207, 031-65647 ASOK IN
Fax: 91-11-6873216

AK&HARA/ITDC-210

INDIA'S HOST TO THE WORLD

ramble for oil. Supply of minor oils ed by vanaspati producers like rice an, mahuaseed, cottonseed, soyabean, same, and watermelonseed is erratic. ys V.B. Modha, secretary, Vanaspati anufacturers' Association, "Production these oils has increased significantly be- use of the demand from vanaspati, but ere are still problems with the collection d quality of these oils." The fallout of the nited stock is that manufacturers scra- ble to purchase whatever oil is locally ailable while some producers allegedly ntinue to use the banned mustard/rap- eed oil to maintain production levels.



o longer the 'poor man's ghee'

Besides the raw material shortage, the dustry faces declining demand as well. anaspati, always 10 to 15 per cent more xpensive than oil, has shot up to between s. 540 and 560 per 15 kg. (Rs.36,000 per nne). At these prices vanaspati — once nown as the 'poor man's ghee' — no nger appeals to the lower and middle asses. An industry expert also sees a end away from saturated fats, like van- pati. Oils like soyabean and sunflower e becoming popular, not only competing th vanaspati, but also reducing their ailability for vanaspati manufacture.

In Gujarat, where the state government nbargoed the movement of oil and van- pati outside the state, many units faced osure as stocks piled up with few buyers. owever, the government has marginally laxed the embargo. With the festival ason and winter approaching, when anaspati demand traditionally in- eases, producers hope that demand will ck up.

nfair treatment. Vanaspati producers, however, feel that they have been given the short end of the stick. "We augment the total supply of oil by utilising minor oils, and we should have more encouragement," says Mallik. Though the government permits an excise rebate of Rs.1,000 per tonne for using minor oils, many feel that it is not enough. They pay Rs. 900 per tonne excise, which, added to high raw material and processing costs, is a heavy burden on manufacturers.

Although most producers are expecting better demand towards the end of the season, prospects for the industry are uncertain. The government is still dithering about edible oil imports and is unlikely to import more than 600,000 tonnes. Reports are that unsatisfactory rainfall in Gujarat and Tamil Nadu could result in a poor oilseed crop. Worse still, next year may not be different for the suffering vanaspati industry.

■ SUDESHNA SEN

PLASTIC ZONE PROJECT

Good idea

One of the overriding concerns of the Gujarat government, as reflected in its new industrial policy — which spells out several incentives to attract entrepreneurs in the small scale sector — is employment generation. In keeping with this objective, the state government recently cleared a proposal placed before it by the Gujarat State Plastic Manufacturers' Association (GSPMA) to establish a 'plastic zone' near Ahmedabad. The exclusive plastic industrial estate, located near Khakharia Tappa village, 15 km away from the city, will initially be spread over 100 acres of land. Later, the government proposes to extend its area to over 500 acres.

"The dominant logic behind the proposal," explains Vajubhai J. Vaghasia, president of GSPMA, "is to exploit the easy future availability of raw materials for the industry, once the giant petrochemical complexes in the state, like the ones proposed at Gandhar, Kawas and Hajira, become fully operational." The small scale plastic industry is also labour intensive.

Employment potential. According to Bharatbhai Thacker, joint secretary of GSPMA, an investment of about Rs.15 lakh in the sector provides, on an average, direct employment to 20 people. It is therefore hoped that new entrepreneurship in the industry will absorb idle textile workers who abound in Ahmedabad, and generate employment for people in nearby rural areas.

Finished plastic goods find a ready market in urban centres. "In commodity plastics, the value added on finished goods is just 15 per cent at the upper limit. To maintain its wafer thin margins, the industry has to minimise its operational costs," says Thacker.

To begin with, the plastic zone will have 100 units at a total investment of Rs.10 crore. Later, the number will be expanded in phases to about 500 units. In a significant departure from the usual practice, infrastructure development of the plastic zone will not be handed over to the Gujarat Industrial Development Corporation (GIDC). Instead, GSPMA proposes to set up a co-operative society of its member units.

The society, after procuring finance from the state government and other financial institutions, will appoint a private agency to undertake development work. Thereafter, only nominal service charges will be added on to the actual price of land.

The co-operative society will also undertake both procurement and distribution of raw materials, as well as marketing of finished products. It will be assisted in these tasks by the state-owned Gujarat Small Industries Corporation Ltd (GSIC).

The plastic industry already has a considerable presence in the state. Currently, there are almost 3,000 plastic units in Gujarat, with an investment of Rs.600 crore accounting for almost 15 to 17 per cent of the total production of plastic items in the country. The industry provides direct employment to 35,000 people in the state and has an annual turnover of Rs.3,600 crore.

Concessions sought. According to Vaghasia, Gujarat can easily take a lead in the industry, provided the state government grants certain tax concessions. "At present, the industry's growth in Gujarat is stifled due to incidence of multiple levies," says Thacker. Much of the new enterprise in the industry gets diverted to the nearby tax havens of Daman, Diu and Silvassa, where an entrepreneur is granted sales tax exemption for a period of 14 years.

In Gujarat, sales tax benefit for small scale industries is proportionate to investment. A new unit in the sector is granted 100 per cent sales tax benefit up to an investment of Rs.30 lakh or of 120 per cent, whichever proves to be higher. The GSPMA has pleaded for a five-year period of absolute tax relief for all new units to be established in the plastic zone.

The association has also asked the government to subsidise the cost that it will incur for the development of the estate's infrastructure.

To promote export of plastic items to neighbouring states, the GSPMA has recommended general all-round tax concessions for the industry in Gujarat. According to it, central sales tax on plastic items should be reduced from the current 4 to 2 per cent; purchase tax should be abolished and the prevailing sales tax, averaging between 6 to 15 per cent on plastic items, should be slashed to 4 per cent.

"Our demands have received a positive hearing from the government so far," says Vaghasia. Response from the industry is also encouraging. Members of the association are confident that they have a viable proposition in the plastic zone, provided the state government grants the requisite subsidies and tax benefits.

"Without these concessions, we will not proceed with the project, as we will not be able to lure new investors," says Vaghasia. In which case, the project, the first of its kind in the country, may unfortunately end up as yet another exercise in paper work.

■ NEERA SETHI

PHARMA COMPANIES

Compelled to diversify

The Voluntary Health Association of India (VHAI) calls it a "threat" to diversify. But many Indian pharmaceutical firms have no choice. With profit margins in medicinal products shrinking steadily, more and more companies find they cannot depend on drugs alone if they are to stay in business. Multinationals like Glaxo, Hoechst, Pfizer, Sandoz and Rallis discovered this long ago. Every one of these has other divisions which sometimes subsidise the pharmaceutical operations.

Increasing product range. Thus Glaxo has Family Foods, Rallis makes its bucks from engineering goods and Sandoz and Hoechst are fairly strong in agrochemicals. Now the Indian firms — Lupin, Lyka, Reddy's, Cadila etc. — are beginning to follow suit. They, however, are turning to items like surgical gloves, injection syringes, disposable needles, small medical gadgets, and diagnostic kits which doctors and hospitals also use.

"Medicines form only 30 per cent of an average hospital's budget," explains Pankaj R. Patel, executive director of Cadila Hospital Products Limited (CHPL) of Ahmedabad. His company, therefore, is gearing up to take advantage of the remaining 70 per cent with a range of disposable syringes, needles, intravenous infusion sets and even a variety of orthopaedic devices.

Meanwhile, Cadila Laboratories, a sister concern of CHPL, has begun marketing a number of hi-tech diagnostic kits which have simplified the detection of filaria, pregnancy, heart diseases etc. They have also introduced a number of chemical reagents required for laboratory tests of every kind. In just two months, from July this year, sales of these products has fetched Cadila Laboratories Rs.20 lakh for 1990.

In the south, Standard Equity Fund Ltd (SEF), a member of the Hyderabad-based Dr. Reddy's group of companies has invested Rs.25 lakh in a new factory for the manufacture of a series of diagnostic kits which can detect typhoid (enteric fever), syphilis and even a heart attack. "Our turnover (from these items) is likely to cross Rs.1 crore this year," says SEF managing director A.P. Rao. By 1993, Rao expects this figure to triple. SEF is also planning to challenge the more powerful Blue Star with a range of auto-analysers that pathologists abroad find invaluable. As a Blue Star executive explains, "Doctors are not sufficiently conscious of the quality and accuracy of auto-analysers."

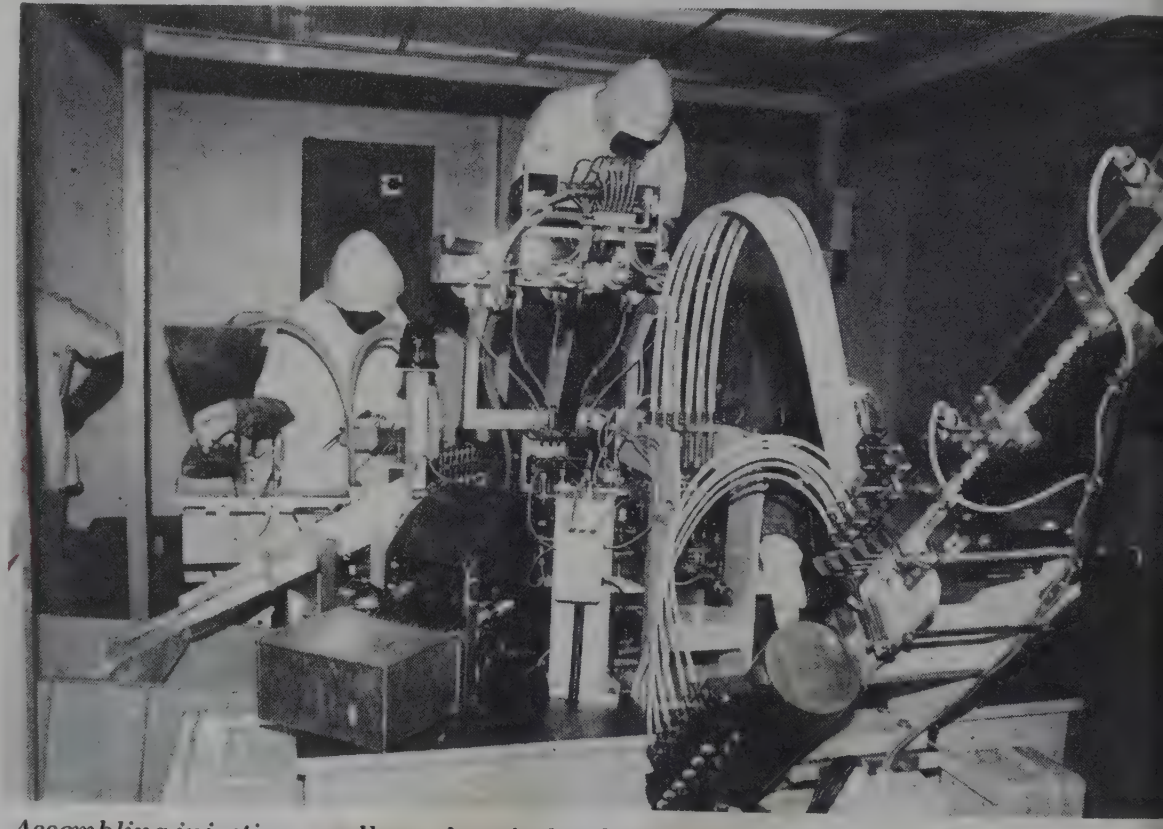
More collaborations. SEF is also planning to begin distributing glucometers (to measure the blood sugar level) in collaboration with a US company within three four months and may manufacture them locally by next year.

Other companies are proceeding along similar lines. Lupin Laboratories, Bombay, has started production of a variety diagnostic kits and Lyka Labs, also Bombay-based, has entered into an agreement with Beckton-Dickinson for a range electronic medical instruments. And Boehringer-Knoll has formed a division to market its medical gadgets relating to diagnostics.

Experts opine that Indian companies ought to have diversified long ago. But the last time they tried it — in the mid-seventies — under pressures arising out of government price control, several firms got into trouble. The Cadila group set up Kavati Auto — a two-wheeler unit, which Burroughs Wellcome introduced a range of consumer products. They were also preparing to market sports shoes in collaboration with Nike Inc of the US but the project never took off.

Dr. Reddy's group set up a separate company to manufacture computer keyboards. The first diversification was an unmitigated disaster and Dr. Reddy's foray into information technology languished and died. This time round, however, most companies may succeed because they are not straying away from the familiar area of healthcare products.

■ SUMIT GHOSHA



Assembling injection needles: a hospital related item

IDBI Capital Bonds
An attractive instrument for exemption from Capital Gains Tax.



- Available at par throughout the year.
- Exemption from Capital Gains tax under Section 54E of the Income Tax Act, 1961.
- Exemption from Wealth tax under Section 5(1) (xvie) of the Wealth Tax Act, 1957.
- Income tax benefit under Section 80L.
- Interest at 9% p.a. payable half yearly.
- At the investor's option, interest for the full period of 3 years can be paid in advance on discounted basis.
- No deduction of tax at source.
- Outstation cheques accepted and cost of collection will be borne by IDBI.

Sobhagya-B/89

For further details contact the nearest IDBI office or write to Manager

INDUSTRIAL DEVELOPMENT BANK OF INDIA

IDBI TOWER, Cuffe Parade, Colaba, Bombay 400 005.

START AS A FRIEND



STAY AS A PARTNER

Oman International Bank brings to India the culture of a friendly neighbouring nation. Continuing a gracious tradition of established business between India and the Sultanate of Oman.

Manifested in the friendly approach to customers.

Nurtured with courtesy, personalised service and meticulous attention to detail. In both domestic and international banking. And growing into a healthy partnership.

That is Oman International Bank.

بَنك عُمان الدولي ش.م.ع.ع

Oman International Bank S.A.O.G.

1-A Mittal Court, Nariman Point, Bombay 400 021. Tel: 2047444/5, 224391
Forex/Treasury: 2871570. Fax: 2042975. Telex: 011-3165 OIBB IN



A friend and partner

Head Office: P.O. Box 4216, Ruwi, Sultanate of Oman. Tel: 793450 Fax: 707328 Telex: 3364 OMINBNK ON

GJA: 2384

NY LIMITED

he waiting is over

od news at last for the Madras based ny Limited: last week, a consortium of ncial institutions led by the IDBI fi- ly sanctioned a Rs.60-crore package for rehabilitation and modernisation of s beleaguered textile giant.

Vracked by severe labour problems r the years at its mills, both in Madras l Bangalore, the company has accumu- ed losses of Rs.44 crore. Its net worth been eroded by more than half to 7.08 crore. Despite this, the company aped the BIFR net by avoiding a cash s last year. This was done by booking an preciation of Rs.10.5 crore in the mar- value of some land and buildings held urrent assets. Sales for the year ended e 1989 was Rs.118 crore.

ise of urgency. The rehabilitation pro- als were first submitted immediately r the liquor king Udayar took over the nagement of the company in July 1987. ned with a 22 per cent stake in the ity, the Udayar group brought with it mendous political and financial clout, l a sense of urgency in tackling Binny's blems, chief among which was the dernisation of the mills.

he political equations changed with death of MGR, and the DMK govern- nt at least initially seemed to be at ss-purposes with the group. Though group submitted several proposals, se were put into cold storage. The sanc- ning of the package is therefore a shot he arm for the management, which has eed to chip in 10 per cent of the rehab kage as promoter's contribution.

lowever, there still is a fly in the oint- nt. "The loan component of Rs.35 crore Rs.40 crore for modernising the Buck- ingham & Carnatic Mills at Madras will become available for use only after the labour issue is sorted out," says M. Ethurajan, executive chairman of the company. The IDBI is insisting on a reduction in the workforce from 13,000 to 7,000 workers. The management does not think this is necessary. "We do not plan to retrench or offer a voluntary retirement scheme, since about 250 to 300 workers will retire every year over the next two years. By the time the modernisation is complete, the workforce will reach the requisite level," says Ethurajan.

The real problem, it seems, is the management's insistence on shifting the processing house from Madras to Bhuvanagiri in the Cauvery basin. Though this shift will cost Rs.14 crore, the management claims that it will result in an annual saving of Rs.7 crore. "Water is the major problem: we buy 60 to 100 tankers of water per day. Besides there are problems of fuel and pollution," says Ethurajan.

Firm opposition. The labour union is firmly opposed to the shift, since it will affect the livelihood of the 800 workers employed in the Madras processing house. Though the management has displayed a willingness to discuss the issue and re-employ the workers, the unions are not willing. "The processing house is at the heart of the operations at the B&C Mills. Spinning and weaving are operations which can be carried out anywhere. Once the processing house is shifted other shifts could take place," says W.P. Varadarajan (CITU), president of the Madras Labour Union and the B&C staff union. People suspect that the management's real motivation for moving the processing house is to free a purge expanse of real estate at the mills. In any case, this land was rumoured to be the main motive behind the Udayars move into Binny. Though the processing house occupies an area of two acres, the entire composite mill is spread over 184 acres. The management, of course, denies the existence of any such plan. "We are confident that the labour issue will be sorted out within two months," says Ethurajan.



B&C Mills: major rehab package; (inset) Ethurajan



Optimism apart, a great deal depends on the kind of co-operation that the Udayar group can obtain from the state government at this juncture, since the package also depends on the continuation of the existing concessions from the Centre and the state governments of Tamil Nadu and Karnataka.

The central government had agreed to a moratorium on interest on a modernisation loan of Rs.70 crore. The management has asked for the continuation of this concession. The Karnataka government has assured continued exemption from power cuts. Though the Tamil Nadu government sent a team in May to appraise the request for uninterrupted power supply, the result of this review has not been conveyed to the management.

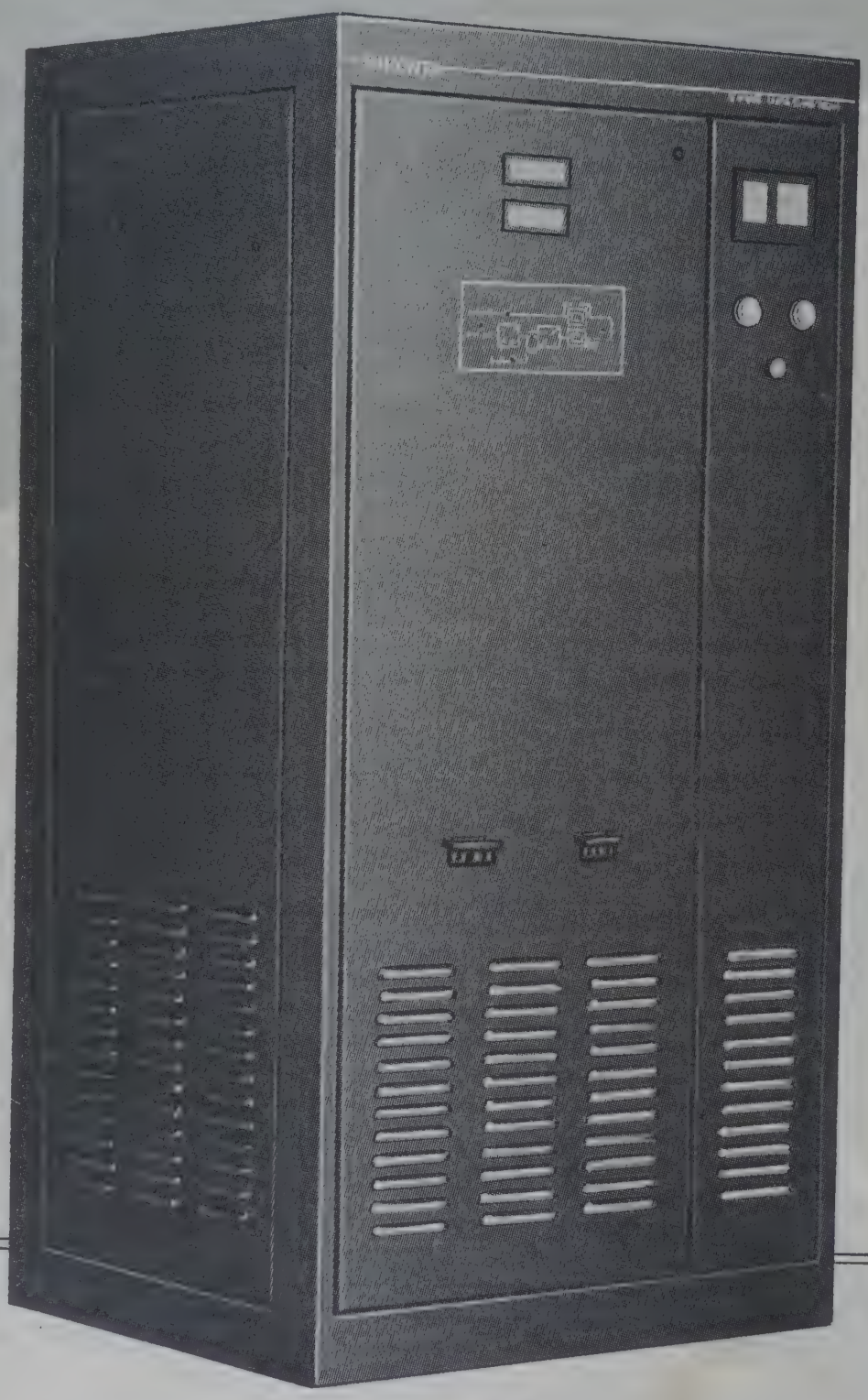
"We are hopeful of support," says Ethurajan. Work on modernisation has commenced at the Bangalore mills and Rs.13 crore has already been spent.

Attractive terms. By all accounts, the terms of the package are attractive. Of a total loan component of Rs.60 crore, special loans will constitute Rs.5.39 crore to be paid in 24 quarterly installments commencing September 1987, and ending in June 2004. The company is confident of tackling repayment. It plans to develop and sell 40 acres of excess vacant land in its possession. "This is apart from the B&C mill complex at Madras," clarified S. Natarajan, a director of Binny Limited and advisor to the Udayar group.

Once the modernisation exercise is complete, "the intention is to increase the production of high value material", explains Ethurajan. The sanction has come in the nick of time, given the current upswing in the textile industry. Needless to say, the mood is distinctly upbeat at Binny, for a change.

■ DHARANI K. PANI

Here's a piece of intelligence all mainframe computer users need...



The M Series of Intelligent UPS systems from INVENTA incorporate new generation microprocessors which make them much smarter than conventional systems.

The M Series not only records all key parameters continuously but also maintains a log of operation of the entire system. And the system is designed to interact with you intelligently.

In case of a fault, all this crucial information can be transferred to a computer or plotted on a printer. This makes diagnosis very easy and dependable and reduces down time.

Of course, you can still opt for our standard line of conventional transistor UPS systems without the micro-processors. After all, we define the leading edge of transistor technology as well.

And remember, all our systems are custom built: a full range from 5 KVA to 250 KVA and upwards for a list of customers that include MICO, L&T, BHEL, Tata Unisys, TISCO, Citibank, Tata Honeywell, HAL, AT&T, SAIL, ECIL, CMC, IFFCO, RBI, Indian Railways, Defence and so many others.

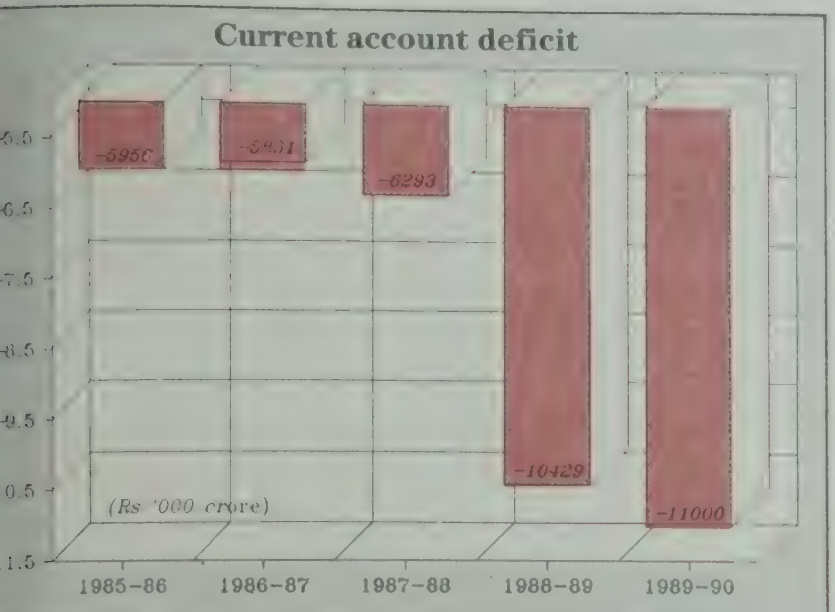
INVENTA

M - S E R I E S

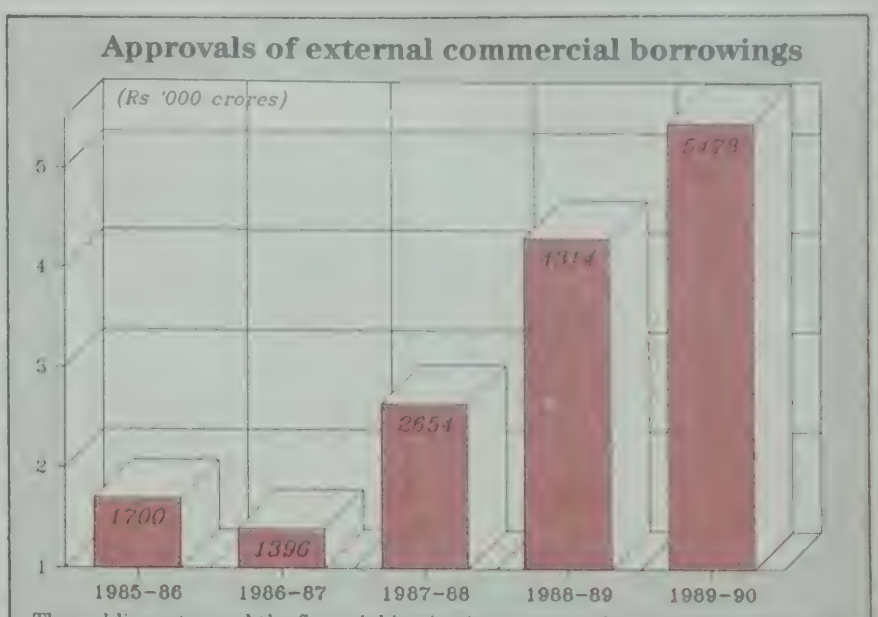
Microprocessor-based UPS systems

For further information, contact:
Inventa Electronics (P) Ltd., 59-A(2/2)Mundhwa, Pune 411 036 Tel: 670340, 671734
OR
Vistar Electronics (P) Ltd., Pune 339267 • Bangalore 346363 • Calcutta 204656 • Delhi 5713538
Hyderabad 65963 • Lucknow 73564 • Madras 77714

ULKA-131



e current account deficit, which was a mere Rs.2,852 crore in 1984-85, has shot up Rs.11,000 crore in 1989-90. The increase is fully attributable to the trade deficit, hich increased to Rs.13,000 crore in 1989-90. Net invisible earnings have also been owing a declining trend because remittances from abroad are showing less owth.



The public sector and the financial institutions account for over two-thirds of the total commercial borrowings. There has been a sharp rise in external commercial borrowings since 1987-88. India's outstanding foreign debt has doubled in the last five years to Rs.69,681 crore in 1988-89. If this trend continues, it would put enormous pressure on the current account deficit.

olesale price index: The all-commodities wholesale price index s marginally up by 0.6 per cent for the month ending 28 July 1990. primary articles, cereals, fibres and oilseeds were up by 2.6, 2.6 l 2.5 per cent, respectively. In manufactured products, cement ces were up by 5.1 per cent during the month under review. On a r-to-year basis, the price of edible oils is up by a hefty 26.1 per t.

(1980-81 = 100)

	28 July '90	30 June '90	29 July '89	% change over month	% change over year
commodities	178.7	177.5	164.5	0.6	8.6
nary articles	182.4	181.3	163.9	0.6	11.3
ufactured products	179.0	177.4	166.4	0.9	7.6

llion prices and stockmarket index: The Gulf crisis has re-ved interest in both gold and silver, which is reflected in their ces. The Bombay Stock Exchange index continues to rise, and on a nth-to-month basis is up by 11.4 per cent.

	25 Aug '90	28 July '90	25 Aug '89	% change over month	% change over year
d (Bombay)	3,430	3,310	3,175	3.6	8.0
er (Bombay)	6,897	6,889	6,766	0.1	1.9
Index (78-79 = 100)	1,151	1,033	710	11.4	62.0

ice of gold in rupees per 10 gms and silver in rupees per kg.)

nsumer price index: The consumer price index for industrial rkers has been rising since January 1990. However, on a year-to-ar basis the increase is 6.3 per cent. The index for urban non-nual workers is also up by 1.3 per cent in June 1990.

	June '90	May '90	June '89	% change over month	% change over year
ustrial workers (82 = 100)	185	182	174	1.7	6.3
an non-manual rkers (84-85 = 100)	155	153	144	1.3	7.6

Money and banking (scheduled commercial banks): In keeping with the policy of restraining rising prices, bank credit has declined by 3.9 per cent in the month under review. There is a marginal increase in broad money by Rs.1,213 crore. With the decline in bank credit, the credit to deposit ratio has moved in tandem to 59.8.

(Rs. crore)

	27 July '90	29 June '90	28 July '89	% change over month	% change over year
Broadmoney (M3)	2,39,198	2,37,985	2,04,226	0.5	17.1
Aggregate deposits	1,74,793	1,71,648	1,49,639	1.8	16.8
Bank credit	1,04,592	1,08,837	88,628	− 3.9	18.0
Food credit	3,883	3,917	1,397	− 0.9	178.0
Credit/deposit	59.84	60.49	59.23	− 1.0	1.0

Industrial production and infrastructure: The industrial production index, has predictably declined sharply in April 1990 to 197.1 from a high of 255.3 in March 1990, but has moved up again in May to 202.3. There is a decline in freight carried by the railways by 4.4 per cent in June 1990. There is a sharp increase in steel production in July 1990 by nearly 17 per cent over the previous month.

	Latest month	Previous month	Year ago	% change over month	% change over year
Industrial production index (1980-81 = 100)	202.3(5)	197.1	174.9	2.6	15.7
Railway freight (million tonnes)	24.19(6)	25.32	23.75	− 4.5	1.9
Crude oil production ('000 tonnes)	2,875(5)	2,934	2,825	− 2.0	1.8
Power generation (million units per day)	708.6(6)	700	624	1.2	13.4
Coal production (lakh tonnes per day)	4.8(5)	4.8	4.5	—	6.6
Steel production ('000 tonnes)	746(7)	639	709.7	16.7	5.1
Cement production ('000 tonnes)	3,902(5)	3,720	3,740	4.9	4.3

Figures in bracket indicate months



JUST NEED TO BE

THERMAXED

Whether you are in the chemical, fertilizer, cement, steel, paper, synthetic fibre or any other industry, you should be Thermaxing your pollutants. Dust, flue gases, sub-micronic particulates, tar, sludge or organic and toxic wastes – Thermax has a pollution control solution just right for you.

Today, Thermax are market leaders in pollution control systems for boiler flue gas applications; dedusting systems for high temperature gases in the cement and steel industries and many more. With complete expertise in primary and secondary pollution control systems, Thermax turnkey projects meet stringent norms with total responsibility.

Electrostatic Precipitators, bag filters, centrifugal and venturi scrubbers, cyclones, multiclones, centrifugal fans, incineration systems – each custom-designed for your specific needs. And special expertise in retrofitting old ESPs in the cement and power sectors. Perfected to match international standards through a technology collaboration with the world leader – General Electric Environmental Services Inc., USA. Backed by the Thermax assurance of quality and service.

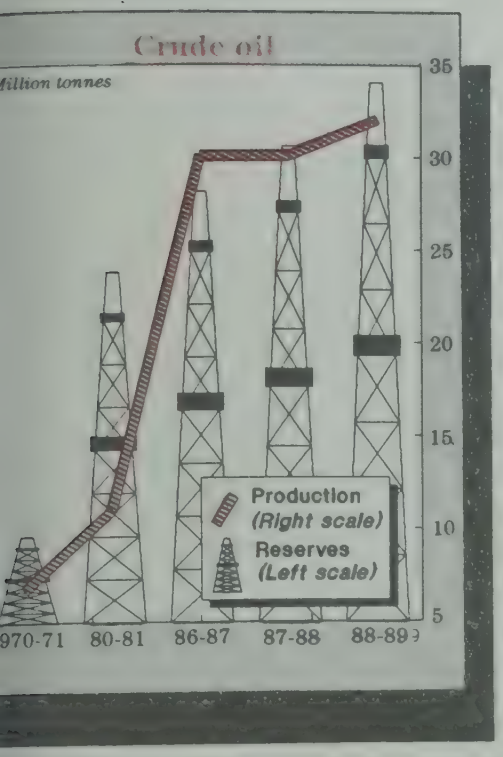
Because Thermax believes that pollutants are inevitable, but pollution is not.

If you want to have your pollutants Thermaxed, write to: G.K. Gureja, Director, Enviro Division, Thermax Limited, Chinchwad, Pune 411 019. Tel: (0212)85941; Telex: 0146-234 TMAX IN, 0146-302 TMAX IN; Fax: 0091-0212-82049.

GROWING
WITH
A MISSION

THERMAX

Effective oil conservation



The steep rise in the price of crude oil from around $15 a barrel to nearly $30 a barrel, due to the Gulf crisis, has brought into sharp focus the problems of energy management in the nineties.

While there is a constraint on supply, the demand for energy has been growing rapidly. Between 1984-85 and 1989-90 the total demand for energy has grown at around 6 to 7 per cent per annum. In absolute terms this translates into 741 million tonnes (mt) to 1,025 mt of coal replacement. If industrial growth is maintained at 8 to 9 per cent per annum in the next decade, then one can expect the growth rate in demand for energy to be around 8 per cent per annum.

The consumption pattern of energy has changed over the years. In the sixties, one-third of total consumption was by commercial users and two-thirds by the non-commercial sector. Today, commercial usage is spread evenly (a third each) between transport and industry, followed by the household sector (20 per cent) and agriculture (10 per cent). The transport sector is likely to register the largest increase in demand for energy resources in the future. Its share of total energy consumption has already increased from 15 per cent in 1984-85 to more than 17 per cent in 1989-90. It is likely to increase further to 22 per cent by the year 2004-5. However, the industrial sector will continue to be the largest consumer of energy.

Fortunately, the supply of primary sources of commercial energy is estimated to have increased from about 89 mt of oil equivalent in 1980-81, to 119.7 mt in 1984-85 and further to 174 mt in 1989-90.

Self-sufficiency in coal

India is nearly self-sufficient in coal with enormous reserves — estimated at 158 billion tonnes in 59 coal basins. Imports are negligible and restricted to coking coal with low ash content. As regards crude oil, the recoverable reserves were placed at 726.22 mt as on 1 January 1989.

The Bombay High oil field accounts for around 57 per cent of total reserves. Production of crude oil increased significantly during the Sixth Plan period from 10.51 mt in 1980-81 to 28.91 mt in 1984-85. Production stagnated at around 30 mt between 1985 to 1988. It has however, shown an upward trend since then and in 1989-90 production reached 34.08 mt. Bombay High accounts for nearly two-thirds of total production. The problem facing the country now is that production is not rising as fast as demand. This means that in recent years import of crude oil, which declined during 1982-83 and 1984-85, is now on the rise.

The tight situation in crude oil is further compounded by the fact that India has very limited foreign exchange resources to import crude oil. It is therefore imperative that a clear policy for oil conservation by the industrial sector, substitution with other more easily available fuels and greater utilisation of non-conventional energy are seriously considered by the government.

Substantial savings

For instance, even though quantification is difficult, the savings made by industry just by using more efficient equipment and avoiding waste could be in the region of 10 to 15 per cent per annum. India has one of the largest reserves of coal in the world. It only makes sense for coal to be substituted for oil wherever possible. Natural gas reserves have also increased in the country. While production of crude oil has stagnated, that of natural gas has increased. In terms of oil equivalence, natural gas production increased from a meagre 1.61 mt to nearly 15 mt in 1989-90.

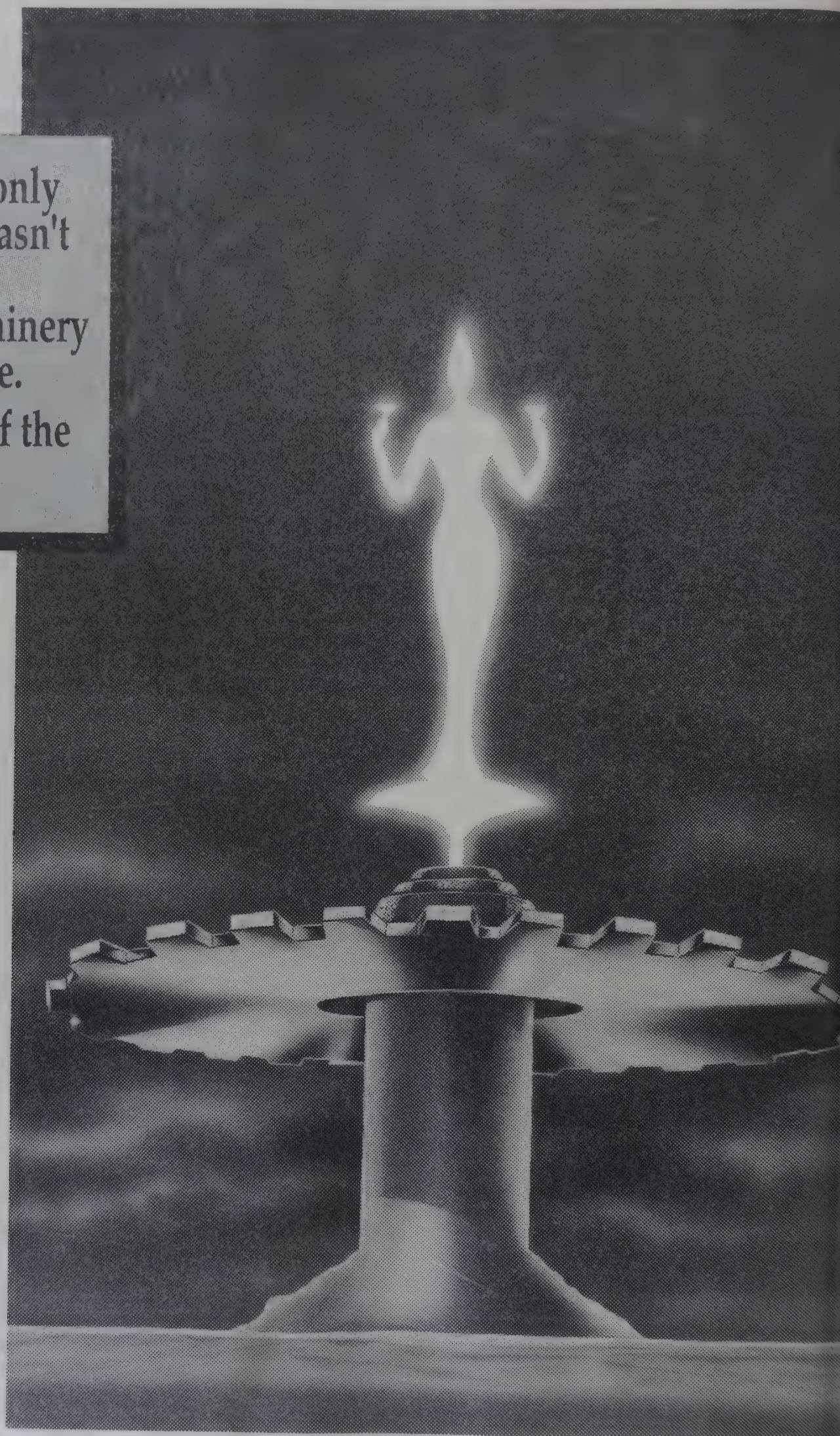
Natural gas is rapidly emerging as a substitute for oil in the fertiliser and petrochemical industries. But the tragedy is that about a third of the gas produced in the country is flared, resulting in losses of thousands of crores. Of course, efforts are being made to reduce flaring to the barest minimum by closing down oil wells in Bombay High which have a high gas to oil ratio. Even though this would mean producing less oil, it would save about 11 billion cubic metres of gas, worth about Rs.3,000 crore. Therefore, the next decade should see greater production, more conservation, and efficient substitution of oil wherever possible.

ASPI CONTRACTOR

■

Since 1940 only one thing hasn't changed in textile machinery manufacture.

The name of the pioneers.



Lakshmi Synthetic Machinery Manufacturers Limited.

Another first from the Lakshmi Companies of Coimbatore. This time to manufacture India's first Extruder Spinning Machines for synthetic filament yarn. At a time when synthetics promise to be the fabric of tomorrow.

The Lakshmi Companies — Coimbatore, now promote their first Synthetic Textile Machinery Manufacturing Company.

Import substitution

Lakshmi Extruder Spinning Machines will cater to the needs of a growing industry which now relies on imports. And bring about import substitution in a phased manner.

While in packaging, the Blown Film Line is another first from Lakshmi.

Brand new technology

The equity participation and technical collaboration with world leader BARMAG AG of West Germany ensures internationally latest machinery from LSM regularly. During phase one, LSM will also manufacture High Speed Draw Texturising Machine and Two for One Twister for Filament Yarn. With a line of other new generation machinery to follow in planned stages.

Promoters : World leaders and market leaders in India

Products from Lakshmi are wel known in the Indian textile machinery market. For over 40 years now, Lakshmi has constantly brought about innovations, and offered latest technology machinery suited for the changing needs of the industry. While BARMAG, LSM's collaborator and equity participant, is No.1 in the world, and a trusted name in India.

LAKSHMI
SYNTHETIC MACHINERY
MANUFACTURERS LTD
Regd. Off: 348, Avanashi Road
Coimbatore 641 037

YOUR OPPORTUNITY TO SHARE THE FORTUNES OF A NEW LAKSHMI COMPANY FROM COIMBATORE - WITH TECHNICAL AND FINANCIAL PARTICIPATION BY WORLD LEADER barmag OF WEST GERMANY

Fortress Chandigarh

For those doing business in Punjab, getting into the offices of the Punjab government is a more daunting proposition than actually conducting business. The civil secretariat at Chandigarh, which houses the offices of the mandarins of the Punjab government, has been converted into a veritable fortress. Every visitor is subjected to metal detector tests and is required to produce a note signed by the official he seeks to meet permitting him entry. The whole entry process into the secretariat takes half an hour on an average and even more than an hour during peak hours.

A waste of resources

Though there is still some controversy about the Kandla-Bhatinda pipeline, it seems the proposal for it will be cleared soon. As of now, the Railway Board is putting up stiff resistance to the proposal. The board fears that a rail track now being laid between Kandla and Bhatinda will remain partially "unutilised" if the pipeline is also laid. The decision to invest in the particular track had been taken on the expectation of a sizeable traffic of crude on the line. Obviously, a pipeline will rob the railway of much of that traffic.

At a time when there is a paucity of resources in the country, the board argues, why should money be invested to create facilities which are already being taken care of by other investments?

Lost glory

With Bhaskar Ghosh taking over as secretary of culture, there is much excitement in the corridors of the department. Officers of the department are peppy and expect much "action". Their expectation is based on the high profile image of Ghosh — who was earlier director general of Doordarshan.

The department of culture, which had a very high profile in Rajiv Gandhi's time, fell into oblivion after the new government took over. This was partly the result of a deliberate National Front strategy following the flak the department received for indulging in ostentatious expenditure.



Ghosh: culture sans cash

But knowing the state of this government's coffers, how Ghosh is going to help the department regain its lost glory remains to be seen.

Ministerial exemption?

When the government recently announced its austerity measures, it seems it excluded its own members from the purview of these steps. The young husband and textiles minister Sharad Yadav, illustrated this the other day.

The minister threw a lavish party on 28 August to celebrate his first wedding anniversary. Over 500 invitees, virtually all from the VIP directory, thronged his spacious Akbar Road residence, where they were treated to a lengthy *qawaali* programme before a gourmet dinner.

Needless to say, several of his official minions slogged that evening to ensure that everything went off well. One wonders whether the finance minister is at all embarrassed. He is the one, after all, who has been waxing eloquent on the virtues of self-restraint and dignity in wedding (and, presumably, wedding anniversary) celebrations.

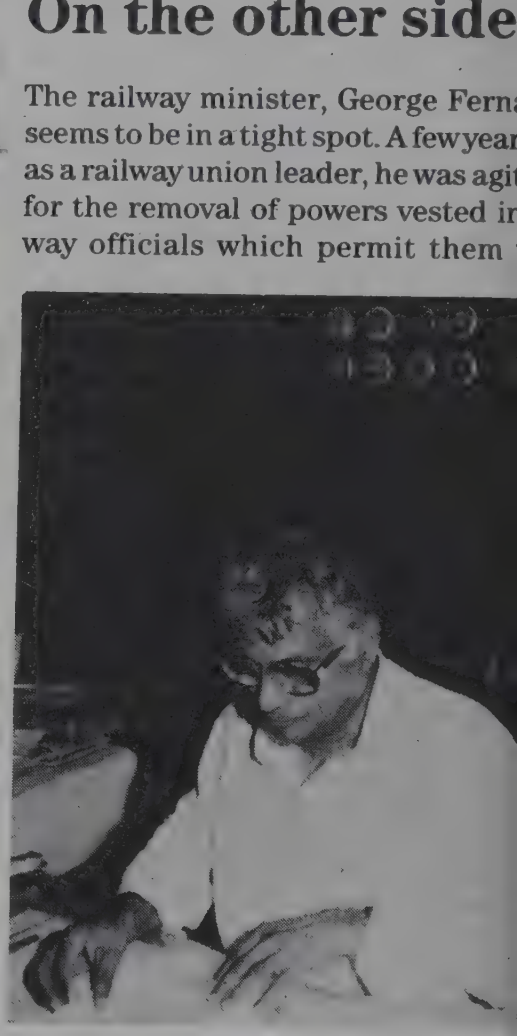
Bone of contention

With the department of public enterprises becoming the department of heavy industry (a mere change of name), a piquant situation has arisen. Officials of this department now want not only public prises to be under their adminis charge, but also heavy industry pro by the private sector.

But the department of industrial opment, which now looks after the p sector, is not willing to give up its so easily. Its officials argue that a co years ago, the department used called the department of heavy ind and at that time private industry w under its purview. So why should thi different now?

On the other side

The railway minister, George Ferna seems to be in a tight spot. A few year as a railway union leader, he was agi for the removal of powers vested in way officials which permit them



Fernandes: ticklish clause

away with the formality of an "inquiry exceptional circumstances, the need an inquiry can be determined by the way officials themselves before taking ciplinary action, including sack against workers.

Now that he is railway minister, u leaders are pressurising Fernandes t away with this clause. But the ministe unable to act because his officers say t this power is essential to maintain ind trial peace. They are, in fact, staunc against the clause being done away w Interestingly, last fortnight, one un leader caught George on the wrong foot this matter on *Khula Manch*, the Do darshan programme.



COME HOME TO
GREEN SERENE

It's the end of your day.
Come away from the heat, tension and strain.
To lush and serene Alipore. A mere two kilometre drive from Calcutta's business centres. To a green welcome, of whispering shrubs and trees; the scent of flowers and a blue, blue pool. Come home to where it's calm and soothing. To Taj Bengal.

Taj Bengal
Calcutta India

A whole new experience

THE TAJ GROUP OF HOTELS

TSA-C/TB/2290

As soon as we reach one summit, we strive for the next.



Century ... India's largest exporter of cotton textiles. Now also a leading producer of cement.

From a modest beginning in 1975, Century has blossomed into India's largest exporter of cotton textiles. Earning more than Rs. 100 crore in hard currency in the year 1989-90.

Over the years Century diversified into rayon yarn, tyrecord, minerals & chemicals, cement, pulp & paper and shipping. In all these areas the Company has made its mark.

In cement, the Company has achieved remarkable success in a short time. Cement manufactured at its most modern plants, CENTURY CEMENT, MAIHAR CEMENT, MANIKGARH CEMENT is now being marketed in almost all parts of the country.

Century is now exploring new avenues to create more productive assets for the country, and more opportunities for our people to better the quality of their lives.

CENTURY

— the dawn of a new era

Century Textiles and Industries Limited
Century Bhavan, Dr. Annie Besant Road, Worli, Bombay 400 025.

USINESS MOVES FAST FORWARD



ging an errant
trepreneur?
beaming ten
ges of text at the
eed of light?
ming up from
obal!

The world is shrinking at an incredible pace.

New ideas in office telecommunications, incorporating state-of-the-art microprocessor technology, are keeping businessmen posted with the latest information.

Giving them an edge over others by enabling them to act on the information instantly and utilise it fully.

Global Tele-Systems can put these ideas to work in your office: starting with Fax Machines, Photocopiers and Computerised Telexes through to PCs, EPABX Systems, Electronic Pagers, Optical Fibre Cabling, Cellular Phones.

All hand-picked from the finest international brands. All affordable, easy-to-use and expandable.

Interested? Talk it over with Global. We'll show you how to maximise efficiency by upping productivity.

GLOBAL
TELE-SYSTEMS (PVT) LTD

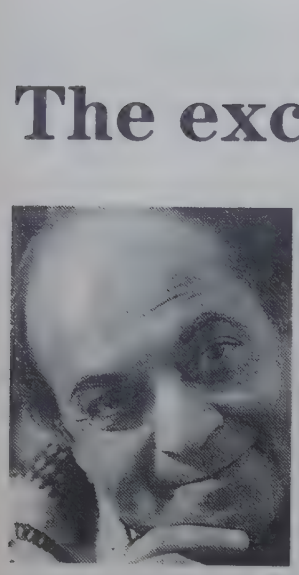
Ideas at work

412, Jammabhoomi Chambers, 29, Walchand Hirachand Marg, Ballard Estate, Bombay 400 038. TEL: 261 3010 • FAX: 261 0538 • TELEX: 011-86004 GTSL IN • GRAM: GTSL IN

Vision/GTS/90/4

SUDHIR M

The exchange rate muddle



Every time I read ministerial pronouncements I learn the sort of economics that I was never taught at university. Recently, for example, the finance minister informed Parliament that allowing the rupee to float freely would be "disastrous", devaluation was no answer to a "weak currency", but that the devaluation of the currency was "a normal phenomenon" and helped us to maintain the competitiveness of Indian exports.

Now I had always been taught that devaluation and depreciation of the currency were one and the same thing, so the distinction that the finance minister was trying to make eluded me; but apparently in the terminology of the finance ministry, there is a subtle difference between depreciation and devaluation. The rupee is tied to a basket of major currencies, so when it is devalued against the basket it is called depreciation and stimulates exports, while devaluation in general, against all currencies, is just a "soft option".

Now anyone reading this farrago of nonsense will rapidly come to the conclusion that either the finance minister could not have understood what he was talking about or was deliberately prevaricating. By using two different words, both with the same meaning, he was able to tell the House that depreciation is good while devaluation is bad.

These inelegant verbal inexactitudes would not matter if they were just part of the normal political game of confusing the questioner, but there is good reason to suspect that the minister's answer reflects the intellectual muddle that prevails within the ministry of finance on the question of exchange rates. No one there seems to be able to make up their mind on whether they want to lower the exchange rate or not.

Poor record

Unfortunately for us, this muddling along is dangerous. Our reserves position has deteriorated sharply and the latest rise in oil prices will put so much pressure on our balance of payments that we will be forced to resolve the exchange rate issue soon. Sadly, this government's record on its management has been extremely poor. It is a classic example of how endless socialist rhetoric from those in power can actually damage the set of opportunities available to the nation.

During Rajiv Gandhi's regime, the general perception of international lenders was that India's policies were gradually liberalising, and that there was a definite move to bring the level of the rupee in line with the rate that might prevail in the free market. When this government came into power, both policy and rhetoric suddenly changed.

First we abandoned the earlier policy of continually devaluing the rupee and went back to the bad old policies of trying to hold the exchange rate; second, from the prime minister downwards, we have been saying that India will not borrow to finance its deficits, that it will not fall into a debt trap and will not agree to IMF conditions. How, then, does India intend to cover its deficits?

Now in economic matters, this form of populist rhetoric is silly. As Keynes wrote in the *General Theory*, "economic prosperity is excessively dependent on a political and social atmosphere which is congenial to the average businessman", and the creation of this environment depends as much on what those in authority say, as what they do. By telling the world of international bankers that we do not intend to use them, we now find ourselves in the embarrassing position of them telling us that we are no longer as good a borrower as we were. In fact, the international view on India has been gradually shifting imperceptibly against us. Commercial banks, which at one time were eager to lend to us, were already adopting a more cautious approach 18 months ago. Their apprehensions have been heightened by the growing size of our debt, and the lack of clarity in the government's economic policies.

Damaging chances

We have gratuitously thrown away the limited opportunities we have for international borrowing; our self- denying pronouncements of going to the IMF will certainly damage our chances of raising sizeable funds from commercial banks and we will no longer be able even to reverse our policies and go to the Fund without having conditions imposed on us. One of these will almost certainly require valuation of the rupee — and to do th the Fund's behest would prove too hu ating politically. The obvious solu would be to carry out those policies the Fund might impose before goi them; and it is in this context that t nance ministry's muddled thinking o change rates is so dangerous.

Clearly our officials would like t lieve that they can still control the pa devastation of our balance of paym Like Hitler in his final days, they will mon imaginary armies to their res Control the fiscal imbalance, improv port performance, reduce imports an trol consumption, tighten control these are the old second-rate weap that they hope to use in defence of our ments problems. Sadly, and again, Hitler's paper armies, these are only p defences.

The free convertibility of the rupee will act as a great stimulus to the Indian economy

The only real weapon left in the ar ury is the exchange rate, and rather t trying to defend a devalued curre probably the safest solution is to float rupee. The finance minister may th that this will be disastrous but any o solution requires foreign exchange serves, or at least the ability to borr and we no longer have either.

Will floating the rupee turn out to b disastrous as the finance minister lieves? There are obvious dangers: in first instance, the rupee may drop dram ically and this will raise the price of imp ted goods. There will also be considera pressure on government finances which may not be a bad thing. But in slightly longer run, the free convertibi of the rupee will act as a great stimulu the Indian economy. It will put an end the endless fiddle faddle that the regi of exchange control has imposed upon It may even finally allow us to break shackles of the outmoded Stalinist pl ning and control system that we have b saddled with since the fifties.

But ideas like these are so alien to t finance minister that it would be unfai even ask him to carry out such a bold p icy. For my money's worth, I would put P Patnaik into North Block — but then, w cares about the worth of my money?



Your boarding pass for your next business trip may just win you tickets for two to New York and back – Free!

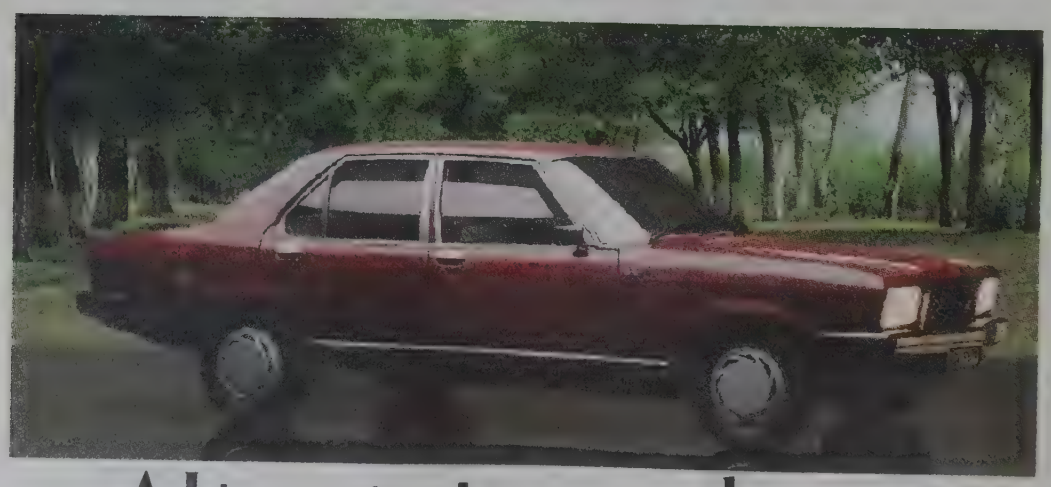
The boarding pass you have today is more valuable than you think. So instead of throwing it away at the end of your flight, just attach your visiting card and mail it to us to reach before 5 November 1990. All boarding passes received along with visiting cards will be serially numbered and entered into a computerised grand prize draw. The prize – tickets for two to New York and back. Free! Plus, there are 3 surprise gifts to be won every week. Your boarding passes received will also be considered for a weekly draw.3surprise gifts will be awarded to the lucky business travellers. And the winner of the weekly draw will still be eligible to participate in the grand prize draw. The weekly draws will be held on 10, 17, 24 September 1990 and 1, 8, 15, 22, 29 October 1990. The grand prize draw will be declared on 12 November 1990. The winners will be informed by post. Perhaps you've seen our previous advertisement in April 1990. Even if you sent your pass then, you can send it again. Why are we doing this? We have been retained by a major international travel group to put together a profile of senior Business Executives and Businessmen who travel frequently on work. The chance to participate in the weekly draw and the grand prize draw is to thank you for your time. Why are we doing it again? The response to our last request was tremendous. But a large number of business travellers may have missed the opportunity to participate because they did not travel in April. Or were out of the country. And they could now be part of the profile we're putting together. No obligation. There is no catch whatsoever. By sending your boarding pass with your visiting card you are under no obligation to buy any product or service. The only thing you need to do is to act immediately. Your boarding pass and visiting card must reach us positively before 5 November 1990. The offer is open from 1 September 1990 to 31 October 1990. All boarding passes sent must be of domestic flights during this period only. The offer is not open to foreign nationals and NRIs.



Please mail your boarding pass and visiting card to: INDIAN MARKET RESEARCH SERVICE Apeejay House, 5th Floor Cell (6), Dinsha Wacha Road, Bombay 400 020.

One of the few cars on the road that w





A Limousine to every other car

Accessories shown in the picture
are not part of standard equipment.

Contract HM 22145B

ever meant to compete in the rat race.



While the vast majority of people rush around in the frenzy of life, a few people don't.

They insulate themselves from the outside world. Using the Contessa as an effective barrier.

The moment its doors shut with a muted click, and they sink into the soft, non-slip upholstery, their Contessa becomes their sanctuary.

With a fuel efficient 1.8 litre Isuzu engine that effortlessly pulls them away from the hustle and bustle.

With 5 forward gears, including an overdrive, to smoothly place vast distances between them and everybody else.

With a suspension that gently hugs the road, and cushions them from rude shocks.

With an air conditioner that keeps them from getting all hot and bothered.

And with, of course, amazingly responsive steering and power disc brakes to keep them in complete control.

But there's really much more to the Contessa. So why not get in touch with us.

And take a closer look at a superior race of car.

Contessa
Classic 1·8 GL

Ramada® Inn Palm Grove



The spirit of business!

Sacramento to Singapore. San Di
to Sydney. San Fransisco to Seoul

5-star all the way!

As friendly as home

Businessmen choose Ramada Inn
Grove not just because of our stat
but also because of our style of ser

Our people treat our guests as if t
were their guests – which, in a wa
they are.

By being friendly, not formal. Solici
but not embarrassingly so. Attentiv
but never intrusive.

It takes practice, but we have it.

And our happy guests confirm it.

All you want a hotel to be

We have 113 twin and double bedrooms. Five spacious suites. A 24-hour coffee shop. A spiffy restaurant offering Indian, Chinese Continental fare. And a bar too!

We also offer a swimming pool, a health club, a shopping centre, a business centre.

Yes, we're geared to help you hand your business better. It's the kind o spirit we're sure you're looking for.

As 5-star as Ramada

Ramada Inn Palm Grove is a Palm Grove-Ramada tie-up.

It gives the business sophisticate an opportunity to experience that classy sauvity which has made Ramada what it is today.

The world's third largest hotelier. With a chain of hotels stretching from



RAMADA® INN PALM GROVE
BOMBAY

You're somebody special at
RAMADA

NS, HOTELS AND RENAISSANCE HOTELS WORLDWIDE

Juhu Beach, Bombay 400 049. Tel: 6149361 Fax: 9122-6142105 Tlx: 011-71419 PALM IN Cable: PALMFRONDS Bom
Telephone Numbers of Sales Offices: Delhi: 519827, Madras: 474942, Ahmedabad: 403564, Bangalore: 568085

wissair Customer Portrait: Naaz Rovshen, Corporate President.



Ironically, Naaz Rovshen leaves one Gateway, only to be welcomed to Swissair's European Gateway. Zurich, of course, Naaz's gateway to business in Europe. Where Swissair flies to more than fifty destinations. Nine in Germany, six in France, six in Italy and three in the U.K. With this Swissair daily feature, you also enjoy Swiss hospitality and punctuality. All of which will have you agreeing with Naaz that Swissair's European Gateway, brings that same feeling of warmth as experienced upon sighting the Gateway of India.

For details call your IATA travel agent or the nearest Swissair office:
AHMEDABAD 449149 • BANGALORE 211983 • BOMBAY 2872210 • CALCUTTA 444643 • COCHIN 360380 • DELHI 3325511 • HYDERABAD 211144 • KATHMANDU 222452 • MADRAS 861583

everest/90/SW/32 F

GRASIM INDUSTRIES

The grand game plan

After a few bad years in the early eighties, the Birla flagship has forged ahead in every area of operation. With a near monopoly in the VSF market, self-sufficiency in machinery and raw materials, a profitable cement division, and a large sponge iron plant on the anvil, the company's fortunes appear to be assured of further growth

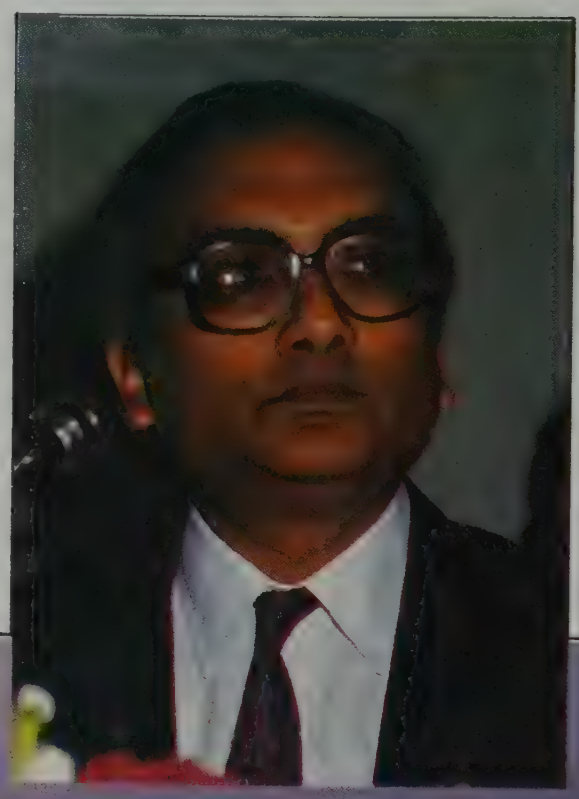
Halfway between Bombay and Delhi, on the Western Railway, is Nagda, a small station in west Madhya Pradesh. Few passengers ever board or alight from the mail trains that stop here frequently, but that does not make Nagda just another stop in rural India. Barely two kilometres from the station, is a private airstrip which senior executives frequently use to reach the seventh largest company in India — Grasim Industries Ltd, the largest Birla concern (1989-90 sales: Rs.1,029 crore, ahead of Century Textiles' Rs.745 crore).

Grasim is the flagship of the Rs.3,000-crore Aditya Birla group. It is the country's largest manufacturer of viscose staple fibre (VSF) and has a near monopoly in the technical know-how for this product.

Grasim was the dream project of the late G.D. Birla who laid the foundation for the complex 40 years ago. Today, Grasim's activity is not restricted to Nagda and viscose only. It has pursued a programme of vertical and forward integration. It makes rayon grade pulp, the basic raw material for viscose and VSF at Mavoor (Kerala) and Harihar (Karnataka), cement at Jawad (MP) and synthetic fabrics and yarns at Bhiwani (Haryana) and Gwalior (MP). It is also one of the largest producer of caustic soda and its engineering division at Nag can manufacture complete machinery f VSF and filament yarn, pulp and so chemicals.

Grasim is also the joint promoter Indo Gulf Fertilisers and Chemicals, Bih Caustic & Chemicals and Tamil Nadu F orine and Allied Chemicals. In the eighti it spread its wings to south-east Asia, a joint promoter of viscose projects in Tha land and Indonesia.

Grasim's product profile is slow changing — from a predominantly V and textile manufacturer to a multi-pro uct company. It has made a beginning cement and is n getting into spon iron and hot roll coils. "We want to in the core sector industry and that why we are going for sponge iron a steel. We may a petrochemicals



Aditya Birla: "want to be in the core sector"

The Nagda plant: the late G.D. Birla's dream project



ater," says chairman Aditya Birla.

The name Grasim, an acronym of the company's earlier name, the Gwalior Rayon & Silk Manufacturing (Weaving) Company Ltd, was formally adopted in 1986. The company began activity in 1950, weaving cotton cloth with 18 looms in a small shed in Gwalior. Around this time, G.D. Birla, the founder of the Birla empire, fearing a shortage of cotton was imminent in the country as vast cotton growing areas had gone to Pakistan, decided to produce VSF — a close substitute for cotton. Nagda, then under the princely state of Gwalior, was selected as the site since "the then Maharaja of Gwalior offered some good financial incentives to Birla", recalls Indu Parekh, president.

Production commenced with a capacity of 5,500 tonnes of VSF per annum in 1954; within a decade, it had gone up to around 30,000 tonnes. Later, in 1963 and in 1974, Grasim added two rayon grade pulp plants of 60,000 tonnes each at Mavoor and Harihar. Both places also have a small VSF plant, each with respective capacities of 14,000 and 24,000 tonnes. In all, Grasim today has a combined capacity of 150,000 tonnes of VSF and 130,000 tonnes of pulp. The only other VSF manufacturing company in the country is South India Viscose with a capacity of only 11,000 tonnes per annum (tpa).



Core team at Nagda: (L to R) A. Parekh, O.P. Rungta, L. Gupta, T.N. Tandon , and (sitting) I. Parekh

Aiming for self-sufficiency

The process of achieving self-sufficiency continued with the establishment of a 36,000-tpa plant for caustic soda — the second most important raw material for VSF, after pulp — at Nagda in 1972. Grasim now makes about 110,000 tonnes of caustic soda — half of which is for its own consumption.

Besides raw materials, Grasim's self-sufficiency extends to the manufacture of machines to produce VSF and pulp. This capability, however, came quite by chance. Around 1962, when the company wanted to expand its VSF capacity at Nagda, it was denied permission to import machines. "We were forced to make our own machines, and we did so successfully," says Parekh.

It is on these machines that Grasim has raised its VSF capacity from 15 tonnes per day (tpd) at Nagda to 290 tpd. The company's pulp and VSF plants at Mavoor and Harihar were also set up with its own machines and technology. And now, claims Lalit Gupta, executive president in charge of VSF production at Nagda, "we can set up VSF and pulp plants of any size and with technology comparable with the best of the world." These capabilities had prompted Grasim's stiff objections to the Modi group's proposal to import a second-hand plant in 1982.

Having proved itself through the machines installed at Nagda, the engineering division at Nagda supplied its technology and equipment to South India Viscose's VSF plant a decade ago. This plant is still operating smoothly. Between 1975 and 1982 Grasim also set up three joint-venture turnkey projects for VSF and pulp production abroad, in Korea, Thailand and Indonesia. It also has a Rs.7.16-crore contract for modernising a VSF plant in Cuba. Lately, however, there has been a downswing in overseas projects.

Turnkey technology

In India, Andhra Pradesh Rayon, a L.M. Thapar group company, has recently signed a MOU with Grasim for a turnkey project to set up a Rs.80-crore VSF plant. Grasim will supply the technology and entire equipment worth Rs.38 crore. Says Gautam Thapar, vice-president, fibres, at A.P. Rayon, "There were two considerations when we were looking at technologies. One was the financial angle and the other was the most applicable technology for us. In both cases, Grasim proved to be the front-runner."

Since manufacture of VSF requires chemicals like sulphuric acid, carbon disulphide and caustic soda, Grasim has also acquired technical competence in setting up plants to produce these. Thus, its list of clients today includes Bihar Caustic and Chemicals, Bharat Fertilisers, Hindustan Organic Chemicals, Indian Rayon, etc.

Having mastered VSF manufacture, Grasim started looking around for other areas to move into in the early eighties. It zeroed in on cement and, in quick succession, in 1985 and 1986, it commissioned two 500,000-tonne plants at Jawad (MP) at a cost of Rs.100 crore. And, a glut in the market notwithstanding, Grasim's cement division has performed well. "Our cement division never lost any money," claims M.C. Bagrodia, senior executive president in charge of the cement, chemicals and sponge iron divisions.

According to Bagrodia, much of Grasim's success with cement is due to the division's high capacity utilisation of around 120 per cent. Then again, industry insiders point out that Grasim's "Vikram" brand cement is in demand because of its quality. Now, Grasim is setting up another 1-million-tonne cement plant at Jawad.

Traditional business

Meanwhile, Grasim continues to expand its traditional textile business. The oldest Gwalior unit, which began with 18 looms, now houses nearly 400 looms and produces 12 million metres of premium synthetic fabrics a year under the Gwalior Suiting brand name. "We have recently introduced fabrics for shirts and high valu

added worsted suitings," says S.K. Gupta, executive vice-president in charge of the unit. "These will be our major thrust area in the future." The Gwalior unit contributed Rs.67 crore to Grasim's turnover last year.

In 1964, Grasim had taken over a sick weaving and spinning mill at Bhiwani in Haryana. This unit now makes 5 million metres of synthetic suitings and 2 million kg of blended yarn. Its turnover last year was Rs.48 crore. D.S. Agarwal, executive vice-president in charge of this unit, says that though it was losing money in the last couple of years, it has now turned around and is making profits.

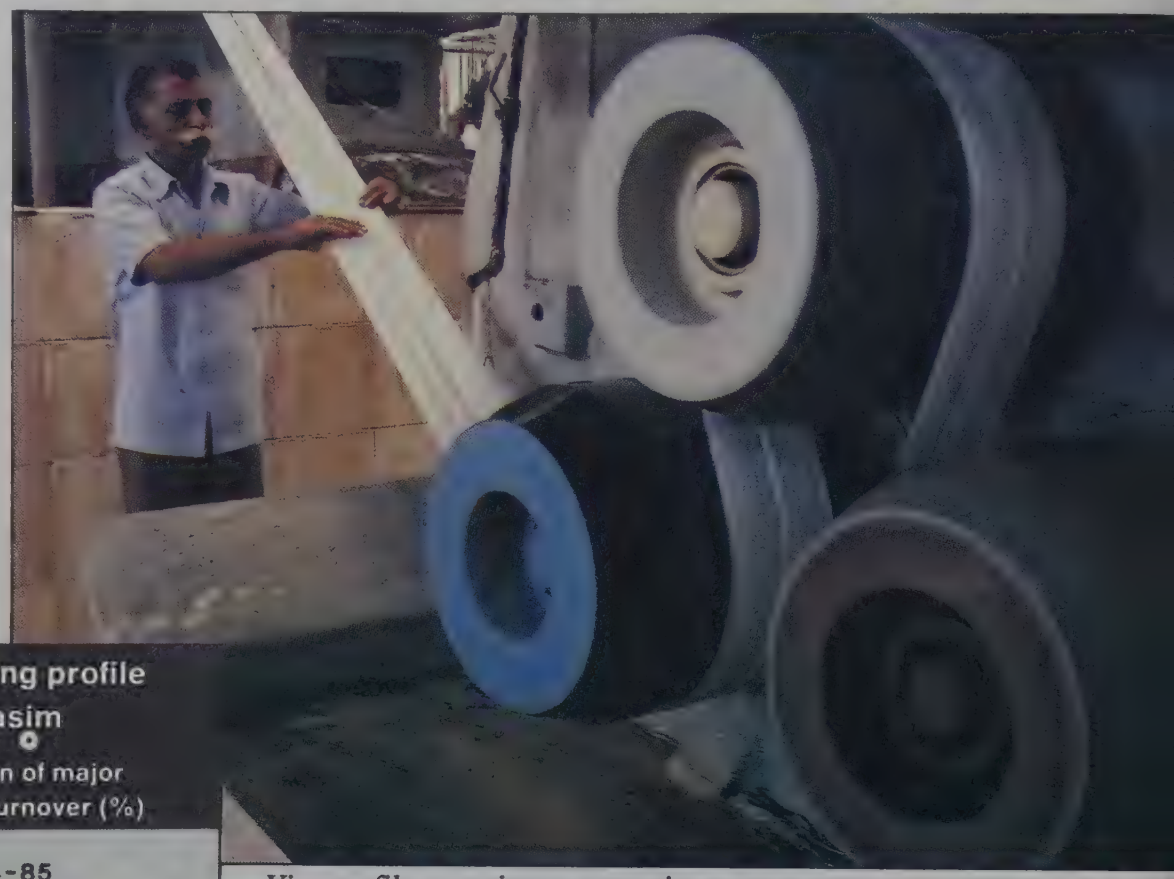
Talking of profits, Aditya Birla still follows the traditional *parta* system started by grandfather GD. As per the system, the profit and loss account of each division is worked out against its daily target and filed every day with the chairman's office. If production falls short of target, it is considered a loss for which the divisional incharge is answerable. Aditya Birla reviews the filed accounts of each unit once a month, "unless there is more pressing business in another unit which requires his attention", says a senior official in the group. In any case, all data is regularly fed into the personal computer at Birla's posh sixth-floor office in south Bombay, he can call for any information when ever he wants.

In the last five years, Birla has not had much to worry about Grasim, as sales, gross profit and net profit have all increased several times over. Sales, at Rs.1,029 crore in 1989-90, for example, have doubled in four years. Gross profit, at Rs.128 crore, was up four times, and net profit, at Rs.60 crore was nearly five times higher. Profitability too has improved substantially, as indicated by the the gross profit margin and return on net worth.

Barring four years between 1981 and 1984, when net profits were as low as Rs.6.57 crore and Rs.4.72 crore, respectively, Grasim's financial performance has always been good. S.K. Saboo, senior vice-president, commercial, proudly claims that "we have never missed a dividend in our 40 years". The company has obviously managed its finances well — constantly building up reserves and reducing dependence on borrowed funds.

On an average, the company has ploughed back Rs.45 crore every year in the last four years. By March 1989, Grasim's net worth (share capital plus reserves, other than revaluation reserve) was Rs.208 crore and its borrowings were Rs.379 crore, giving it a low debt-equity ratio of 1.8:1. In 1989-90, however, the scales tipped sharply towards debts when the company raised Rs.273 crore by way of debentures for its sponge iron project. Here again, the convertible debentures, issued at a high premium (Rs.50 for a share of Rs.10), added only Rs.12 crore to equity.

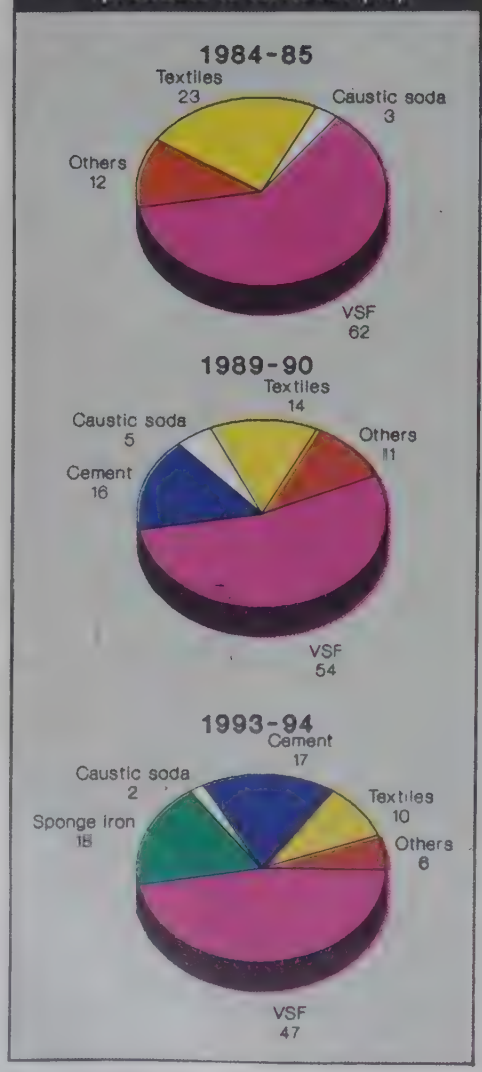
Grasim also follows a conservat funding policy with its projects. Mone normally raised from the capital mar through convertible and non-converti debentures (NCDs) rather than throu borrowings from financial institutio (FIs). For its Rs.100-crore cement proje Grasim borrowed only Rs.5 crore fr IDBI; Rs.41 crore came from internal



Viscose fibre: main money-spinner

The changing profile of Grasim

Contribution of major products to turnover (%)



cruals and another Rs.25 crore fro NCDs.

For its new Rs.145-crore cement unit Jawad under implementation now, bo rowings from FIs is zero. Internal accrua and debentures will contribute Rs. crore and Rs.60 crore, respectively. Sim ilarly, for its Rs.400-crore sponge iron pr ject, Grasim will borrow only Rs.60 cro in foreign currency loans.

Grasim's conservative financial ma agement is a reflection of Aditya Birla philosophy in money matters. "I a against the backdoor nationalisation companies through the conversion of loans into equity," he said in Bombay r cently. "Let the private companies remai truly private." In no Birla company do F hold more than a 25 per cent stake.

Sitting pretty

Comfortable cash generation and liq uidity, of course, depend on the deman for a company's products. In this respect Grasim is quite well placed. Its main pro duct, VSF, has a near monopoly in th

·ket. In 1989-90 for example, Grasim duced 134,000 tonnes of VSF, account- for 91 per cent of the industry's total duction. South India Viscose produced balance.

·rasim's critics allege that Aditya Birla, ıg close to the former Congress gov- ment at the Centre, had successfully led others from entering the VSF na. They cite the Modi project, which ıg fire for nearly eight years mainly due Grasim's opposition. Birla, of course, ıtes such charges vehemently: "I never d to stop the Modi plant. We only objec- to bringing in an obsolete, second- ıd plant from Courtaulds when state- he-art technology was available within country (with Grasim)."

Grasim's monopoly position is also ped by the fact that there is also no im- t of VSF, as its landed price, after duty, rks out to Rs.73 a kg. This is due to a rldwide shortage — hardly any new ca- cities are being added, owing to the pol- ing nature of VSF manufacture. asim's VSF, on the other hand, costs y Rs.42 a kg, after ties. And, in a mar- where buyers eue up for the fibre, e dominant manu- turer obviously can ke money hand over t — a situation asim has exploited. Says K. Rajgopal, ınaging director of e Coimbatore-based kshmi Mills, one of e largest manufac- rers and exporters yarns, "Since Febru- y 1989 Grasim has sed its VSF prices ır times, because demand went up arply." During this period, the average sic price has been raised by 37 per cent from Rs.22 to Rs.30.25. Rajgopal cer- nly has reason to complain, as his mill is e of the largest buyers of VSF (about) tonnes a month) from Grasim. As for improved liquidity, another consumer nplains, "For every kg of VSF it sells, asim now demands the entire money in vance. Earlier we used to get credit."

air pricing policy"

mitting that prices have been hiked ır times, T.N. Tandon, executive presi- nt in charge of VSF sales, clarifies that ce it was due to a hike in duties and at her times due to increases in input costs. Tandon's claim is supported by at least two consumers in Bombay — R.C. Bagrodia, managing director of Gujarat Spinners, and G.L. Lath, president of the Indian Spinners Association. In fact, Lath, whose association represents a large number of spinners, says, "Despite its monopoly, Grasim's pricing and distribution policy is quite fair. They don't charge a single paisa more than the official price."

Cement too is proving to be a money-spinner for Grasim. Prices went up in September last year, enabling Grasim to make good money. Besides this, Grasim also sells about 50,000 tonnes of caustic soda; the market for caustic soda has been very good this year.

It wasn't always so. Between 1981 and 1984, both VSF and textiles, which were the company's main products then, faced adverse market conditions. A reduction in import duties had flooded the market with imported VSF. "Japan and Taiwan dumped huge quantities here, which further depressed prices," says Tandon. Imports of VSF in 1982 shot up to 60,000 tonnes, double that two years before. Of course, Grasim's sales were seriously affected. In 1982, for example, it produced only 52,000 tonnes of VSF — half what it produced in the previous year. Worse still, to compete with the cheaper imports it had to resort to distress sales, which affected profitability even though the sales volume went up. The situation was so bad that South India Viscose had to completely stop production of VSF between 1982 and 1985.

The glut in VSF was accompanied by a recession in the textile industry caused by the setting up of thousands of powerlooms across the country which sell fabric at a much lower price than the organised sector textile mills. Needless to say, Grasim's Gwalior and Bhiwani units, producing fabrics for suitings, were badly hit. And Grasim lacked the aggressive marketing companies like Raymonds, Vimal and VXL, each pushing hard to create its own niche market through brand promotion.

Slipping a bit

"Traditionally, Gwalior Suitings was always the market leader but it slipped quite a bit when the market changed in the early eighties," says S.K. Gupta, in charge of the Gwalior unit. S.B. Agarwal, advisor, textiles, who looks after Aditya Birla's textiles operations, admits that Gwailor Suitings' pricing policy was faulty. "We charged higher prices for the quantity which the dealer was keen to buy. The balance was sold off, often at a loss."

Apart from the general recession, the Bhiwani unit was also affected by the low productivity of men and machines. Looms were old and the plant was heavily overstaffed. There was often friction between workers and the management, leading to frequent stoppages of work.

Strained labour relations was one of the factors which affected Grasim's Mavoor plant too. The plant, designed to produce 72,000 tonnes of pulp, could never go beyond 40,000 tonnes in any given year. The trouble got serious enough for the management to shut down the plant completely in July 1985. Although it was reopened in October 1988, R.N. Saboo, senior executive president in charge of the unit, recently complained that the plant's capacity is still grossly under utilised because the state government has failed to supply adequate amount of forest products. Besides, the company had to fork out Rs.15 crore last year for the higher pay packets to settle the labour dispute.

To top it all, the pulp and VSF units at Nagda, Harihar and Mavoor became entangled in pollution controversies around 1983. In the case of the Nagda unit, it was alleged that the chemicals like sulphuric acid, caustic soda and carbon di-sulphide used for producing VSF, were polluting the air and the adjacent river Chambal. Some went so far as to label the unit as the

Year	Sales*	Gross Profit*	Net Profit*	GPM (%)	RONW (%)
1982-83	253.71	16.32	7.96	6.4	7.8
1983-84	371.96	22.74	10.09	6.1	8.7
1984-85	444.92	28.41	4.72	6.3	4.2
1985-86	471.77	34.91	13.34	7.2	11.0
1986-87	531.41	34.94	8.60	7.4	6.9
1987-88	675.67	61.00	19.12	9.0	13.9
1988-89	803.02	92.27	44.19	11.5	21.1
1989-90	1029.46	128.33	60.04	12.4	23.7

** (Rs crore)* *GPM: Gross profit margin, RONW: Return on networth*

'Gas chamber of Chambal'.

President Indu Parekh vigorously denies such allegations. But, the fact remains that viscose is a polluting industry and also a threat to the ecology as it uses forest products for the pulp. It is for this very reason that most advanced countries are getting out of viscose and not allowing new capacities.

Aggressive marketing

Now, with these troubles behind it, Grasim has turned its attention to the vital aspect of marketing. In both the textile units at Gwalior and Bhiwani, people with marketing backgrounds have been inducted at the top. Gupta (Gwalior) was with Reliance's textile division while Agarwal (Bhiwani) was with Modern Woollens. Innovative advertising campaigns, with celebrities like cricket star M.A.K. Pataudi and his actress wife Sharmila Tagore, have been launched in a bid to regain Gwalior Suitings' lost market. The Bhiwani unit too has revamped its marketing efforts, emphasising the "fashion" aspect of its Graviera range of fabrics. This, coupled with the upturn in the textiles market, has boosted Grasim's overall performance in fabrics. And as Agarwal says, "Our per meter realisation has gone up by 33 per cent this year."

In the current year (1990-91), Grasim's profitability is expected to be even better, as favourable conditions are likely to continue for all its products. Its dominance in the VSF market will also continue, at least in the foreseeable future. South India Viscose is expanding, but only to 18,000 tonnes from the present 11,000 tonnes. A.P. Rayon's proposed plant is yet to receive a letter of intent from the government. Even if this plant comes up, its capacity will be only 16,000 tonnes, or one-tenth of Grasim's. And though S.K. Modi's 30,000-tonne Modi Fibres project has received the clearances for foreign exchange and import of capital goods, little other progress has been made. Says a spokesperson of the company, "We can't say when the plant will come up. It may take another three years."

Even if Modi's plant does come up, Aditya Birla need not worry too much, since the plant will now cost Rs.209 crore (the government has disallowed import o ond-hand machinery) and the per cost will be quite high. Grasim's plan the other hand, is almost fully deprec and is thus in a position to pro cheaper VSF. However, the continuin between domestic and imported pr and domestic demand and supply, gests that Modi may also get a remu tive price.



Weaving mill at Gwalior: high quality suitings (inset) Spinning mill at Bhiwani: now making profits

Export market

The demand for VSF is expected to steadily at 12 per cent every year, as port demand expands. To tap the ex market, Grasim is now planning to set 100-per-cent export-oriented unit VSF. The 25,000-tonne p will cost about Rs.60 c However, Grasim is not p ning domestic expansion

In the years to come, ever, Grasim's dependenc VSF can be expected to considerably *(see chart)* cause of diversifications new 1-million-tonne cem plant will be commissio by the end of this year, tak the total capacity to 2.2 lion tonnes. The company recently received a LOI another million-tonne pl and yet another for a simi sized plant is expected s Thus the total cement cap ity is expected to go up to million tonnes.

The biggest diversificat plan is, of course, into spo iron and hot rolled (H coils. Grasim is setting u 600,000-tonne gas-ba sponge iron plant in the Raigad distric Maharashtra at a cost of Rs.400 crore. the clearances for the project have b obtained and the technical collaborat has been finalised with Hylsa SA of M ico, a world leader in the field. The plan scheduled to go on stream in the secc quarter of 1992.

Grasim has also applied for a HR c project near its sponge iron plant. W recent changes in the steel policy, the co pany may be allowed to put up a 1-millio tonne steel plant which could cost abo Rs.2,000 crore. If this project com through, Grasim, in future, will be know more for its steel than VSF. And that w certainly be a complete transformati for the 40-year-old company. ■

DILIP MAIT





When you're driving down a rain-swept highway, improper lighting could mean the difference between life and death...

TRUST BAJAJ

Bajaj brings you a range of luminaires and lighting systems. Designed by computers to suit virtually every lighting need. Be it for industries, commercial institutions or street lighting.

Each made to our own demanding standards. As well as to the stringent specifications of the Bureau of Indian Standards, Commission Electrotechnique Internationale and of other international organisations.

For our advisory service on lighting and/or lighting installation design, write to, General Manager (Lighting), Bajaj Electricals Limited, 51, Mahatma Gandhi Road, Bombay 400 023, or contact our nearest regional/branch office.

bajaj group

bajaj bajaj LUMINAIRES

Spreading Light – scientifically

Anticipating The Times



Position of leadership in automotive instrumentation was the first step for Pricol ➤ A leadership position attained and maintained by building on inherent resources ➤ By bringing out latent strengths ➤ By the determination to remain contemporary in technology ➤ Today Pricol is growing laterally too ➤ Diversifying into specialised technologies and then into products that meet specialised needs ➤ Counters and controls ➤ Precision Machine Tools ➤ Industrial Electronics - SMPS & UPS systems to back up the computer age are but two of them ➤ And the future is brimming with possibilities ➤ Fifteen years of successful application engineering gives Pricol the confidence to explore these possibilities, channelise technologies yet again, to diversify ➤ And growth comes as natural corollary to this spirit of innovation ➤

pricol

The spirit of innovation. The foundation of technology.

Premier Instruments & Controls Limited
Post Box No. 6331
1087 B/C Avanashi Road Coimbatore 641 037 India
PHONE: 0422-31521-4 FAX: 0422-33028
TELEX: 0855-376 PIL IN CABLE: PRICOL

AUTOMOTIVE INSTRUMENTS / SMALL MACHINE TOOLS / COUNTERS & CONTROLS / SMPS & UPS SYSTEMS

ELCO

Seeking a focus

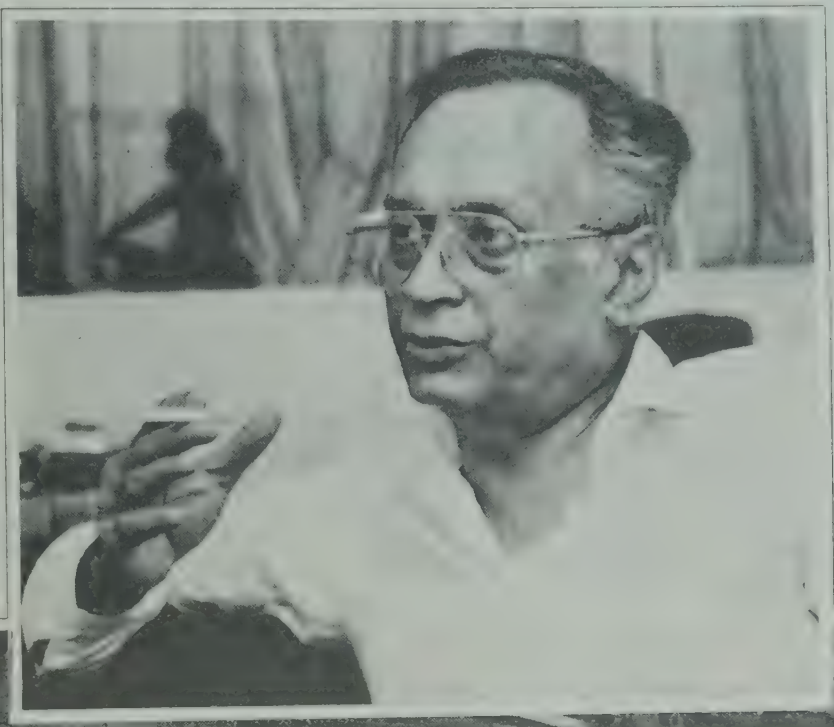
e first to enter almost every hi-tech field in electronics, this Tata company s been let down by poor marketing and operational management and the ck of a proper manufacturing base. It is now changing its strategy to improve present position and also move into high value-added areas

uick, strong and agile. This is what an ectronics company must be if it is to sur-e in a crowded market place. Access to perior technology and qualified anpower is no longer enough. It ust carve an exclusive niche for elf through at least one endur-g product line that brings ofits and the financial man-uvrability essential for future pansion and diversifications. is is a lesson that the Bombay-sed National Radio & Elec-onics Company (NELCO) has d to learn after considerable pense.

NELCO's product range is the arketing man's dream, or night-are, depending on the point of ew. Radios, TVs, tape-recorders, stereo amplifiers, loud speakers, voltage stabilisers, desk calculators, digital clocks, process control equipment, plain paper copiers, EPABX, rural exchanges (RAX), printed circuit boards, and mini-computers are part of its range. The company got into each of these products right in time — before anybody else. Only, it never dug its heels deep enough into the market to capitalise on its lead.

As a result, while its competitors who came much later became market leaders, NELCO was left behind — a Jack-of-all-trades and wracked by a lack of product focus and operational and management problems. "It made a lot of commitments without a proper strategy," says a NELCO old-timer. And the result is clear enough. Nelco made a loss through most of the early eighties, did marginally well in 1987 and 1988 and performed rather poorly last year. On sales of Rs.146 crore in 1989-90 (a 15-month period) profit after tax amounted to just Rs.95 lakh.

At Bombay House, the Tata headquarters, NELCO no doubt continues to be a loved child. Not in small measure because chairman Ratan Tata spent many years in the company in executive positions before moving on to bigger things in the Tata empire. He is



/ assembly: marketing is the problem area; (inset) *Mukherjee: becoming systems oriented*

still closely involved with the company and, in NELCO's 50th year since it was incorporated, is attempting to give it a major facelift. "From a company offering consumer products, we want to become systems oriented", says NELCO managing director S.K. Mukherjee. So in the next few years, NELCO, while consolidating its position in the televisions and audio equipment range, will move towards strengthening its presence in the high value-added areas of industrial automation and telecommunication.

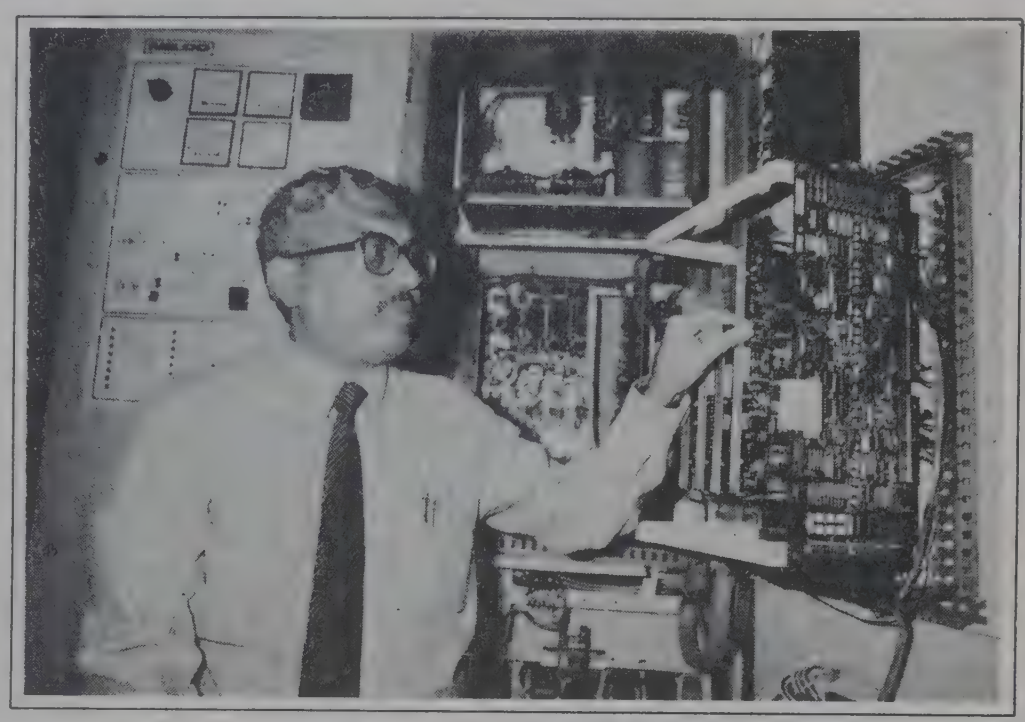
There is also a possibility that Nelco will share production arrangements with the ailing Peico to use the latter's excess colour television manufacturing facilities and an OEM tieup with the Bangalore-based PSI-Bull for a new range of high-end UNIX-based minicomputers. The exact nature of the 'strategic alliance' with Peico is still a mystery. According to N.A.Soonawala, a NELCO director and finance director of Tata Sons, "There is scope for effectively using our strengths and offsetting our weaknesses". He also adds that the exact modalities are being worked out and "will take some time to be finalised".

The collaborations

But there is more than merely Bull and Peico in NELCO's plans today. Recent collaborations with Canadian Memotech, for telecom network protocols, AEG Westinghouse of the US for state-of-the-art industrial drive systems and a new manufacturing facility at Turbhe, feels Mukherjee, will hold the company in good stead. Insiders also reveal that a possible agreement with Mitsubishi of Japan (with whom NELCO already has an agreement for its colour television range) for large television screens aimed at the consumer market is also on the anvil.

Nelco's list of international partners — Dutch, Canadian, German, French and Japanese — looks very impressive. But critics wonder if in its attempt to get out of a corner, NELCO is making the same mistake that got it there in the first place — spreading itself too thin.

The company's latest balance-sheet indicates that it is under financal stress. Huge inventories (Rs.36 crore) and debtors (Rs.39 crore) have forced the company into large borrowings — Rs.37.4 crore — thus holding the future to ransom. In fact NELCO is burdened with an exorbitant Rs. 10.5 crore as interest payment on a relatively low capital base of Rs. 6.97 crore. For the first time in three years the company is strapped for cash. Soonawalla, admitting this, says, "NELCO is in the type of business which is working-capital intensive, but the money required is disproportionate to the returns."



Mahashur: major turnkey projects

However, being a Tata company helps NELCO tide over cash constraints. Says Mukherjee, "We are comfortable within our means. Compared to what I went through when I joined four years ago the situation is not bad." At that time the company had got past the crunch by getting Tata Electric Companies (TEC) (which owns 51 per cent of its equity) to chip in with Rs.4.5 crore and ICICI with Rs.8 crore. This time, however, the bankers have still not had a close look at the company's operations this year.

Expensive inventory

The working capital squeeze no doubt originates from the huge inventory the company has built up. This has blocked much-needed funds. Highly placed officials at TEC who have been monitoring the company closely say: "NELCO's management has not made much effort to reduce inventories." Mukherjee says that a large portion of the inventory is made up of "various equipments required for automation projects under implementation." But the balance sheet reveals that NELCO also has a large number of audio systems, plain paper copiers, calculators and c puters which were never sold.

The root of the company's problems back to the early eighties. NELCO t was backed by a powerful R&D set up a product range that was second to n Most of its products — like calculat and industrial electronic systems — w developed indigenously. But since it operating in a sellers' market, NEL never really bothered to set up a str manufacturing base. It sub-contrac work and got stuck in trading mode which pro to be its undoing. Once market opened up in 19 NELCO faced severe c petition which it could handle and took a beati The lack of a dedica manufacturing line for a of its products proved to the major drawback si the company still had to pend on the vendors w had, by then, begun dict ing terms.

Today NELCO opera through four different di sions — the industrial s tems division (ISI business systems (BSI office products (OPD) a the consumer electron division. While ISD handles industrial a tomation and drives, data acquisition s tems and large uninterrupted pow supply equipment manufactured in c laboration with Emerson Electrical UK), the BSD is involved in compute OPD in EPABX, rural exchanges and pla paper copiers. Consumer electronics co prises of television and audio equipme

But in most of these areas the maj problem has been the company's po marketing set-up. NELCO was the first introduce minicomputers based on UN (an operating system) and also person computers in the country. For the UN machines it tied up with Honeywell of Ita in 1987 and brought in the immensely su cessful Force 20, based on the Motoro 68020 chip. But, "it failed to exploit t market when it was the leader because lacked the necessary marketing skill says a former chief executive of a larg computer company. In the volatile, pric sensitive PC market, NELCO, with its M trix range, was simply outpriced since could not lower its prices after a certai extent due to in-built resource co straints. The fact that the company wa

ot able to sell most of its machines has nly added to its high inventory cost.

Again, NELCO could have tapped the ast potential of the banking segment af- r the Rangarajan Committee report on ank computerisation recommended NIX machines for regional offices. It did ot, and latecomers like HCL, Wipro, Sun- y and others left it far behind. Mean- hile, Honeywell was taken over by Bull of rance and NELCO, to get a new UNIX- odel, had to approach Bull. "It took us ore than a year to con- nce Bull," says D.J. Fer- andes, vice president, rporate.

According to a former ELCO manager, the lack f marketing skills apart, ne personnel policy fol- wed by the company is lso to be blamed for the de- acle in the computer mar- et. "NELCO's single iggest problem has been etaining manpower." ompensation has been a ajor issue in the company. rofessionals in both the of- ce products and business stems divisions were paid nly as much as their coun- erparts in the industrial stems and consumer elec- onics divisions. Large commissions to he sales force are the norm in the office utomation and computer industries.

The company's problems in the volatile elevision market have been even worse. ts Blue Diamond brand, a year-and-a-half go, was a best-seller even though it is in he upper end of the market which has a 3 per cent share of the total TV market. owever, last year, as the colour TV mar- et slumped and aggressive players like ideocon, Onida and BPL pushed harder o sell their products by providing various ncentives to dealers and spending crores n advertising, NELCO gave in to the pres- re. Says Soonawala: "Resources for mar- eting our televisions were lacking when ne market was buoyant". Zal Engineer, ce president, consumer products, ratio- alises: "We don't want to be in the dump- g game".

Last year NELCO sold 50,000 colour TV ts (up 6 per cent over the previous year) nd 70,000 black & whites which it ourced from various small-sector manu- cturers. This is while competitors dou- led their market share. But now margins re decreasing and both Mukherjee and Engineer agree that they have had to "in- crease the line of credit to the dealers". In fact, as a competitor says, "Marginal players are being marginalised some more." This has inevitably added to Nelco's working capital problems.

The lack of volumes, because it does not have the required manufacturing facility, has forced NELCO to look at Peico. "We are in the top-end market where Peico is not," says Mukherjee, pointing out that the constraints NELCO faces are because of the



Engineer: not in the dumping game

"lack of a good television plant". But, says Engineer, "NELCO wants to remain a limited player in the TV segment because our resources are limited and are required for other priority sectors."

Promising areas

But there are at least two divisions in NELCO, which observers say, could if nurtured well see the company through its problems in a short time. The larger of these is the one making industrial process control systems. According to K.A. Mahashur, vice president and general manager of the division (order book — Rs.142 crore), sales recorded "a 73 per cent growth, with major turnkey project orders" coming from the automation of Hindustan Development Corporation's bar and rod mill in Gwalior (Rs.13 crore) and the hot strip mill at Durgapur steel plant (Rs. 4 crore). Recently, NELCO also secured a large Rs.126 crore order for installing automated systems at Tisco's hot strip mill where the public sector BHEL was its main competitor.

Meanwhile, NELCO is also striving to finalise the automation project for Essar group's Rs. 1,400 crore sponge iron project coming up in Gujarat. With an increasing accent on industrial systems, NELCO has successfully reduced the consumer division's contribution to sales from 90 per cent some years ago to just 50 per cent. While encountering a rough patch earlier in the decade, it was this division that held the company together.

Another area that holds promise for NELCO is telecommunications. Though it was among the last few companies to receive C-DoT licenses for manufacturing the 128- and 256-port EPABXs, it did well in both the segments before also landing the 512-port RAXs license. Last year, however, it could not meet its RAX production target since quality checks proved to be time consuming. But signing up with Memotech provides it the opportunity to go the "systems way". And in fact, plans are afoot to finally merge the business systems and office products divisions to give a fillip to 'networking' (a Memotech speciality) its various products.

It is clear that NELCO is a company trying hard to sort out its problems. Though its industrial systems division is profitable, the other divisions have not been able to strengthen its balance-sheet. Its image in the market has also suffered. And the lack of a large market share in any of its product ranges, as well as the absence of 'product synergy' as in case of a few others have affected its progress.

Says a large name in industrial systems: "If there are a large number of products, there has to be synergy. Since NELCO cannot fall back on any one of its products for its daily bread as economic volumes are impossible, the synergy is essential. But this is missing, probably as a direct result of NELCO's multiple collaborations."

NELCO plans to expand and to strengthen its industrial systems and telecommunication divisions. But if it wants to get into the forefront of the hi-tech race, it needs to get out of unprofitable areas. As a TEC official puts it: "NELCO's future is bright but the question is how to get there. It needs focused growth." And Mukherjee and his team are trying precisely that.

■ RAHUL SHARMA

First the music went public



BPL-SANYO

Now the company goes public

BPL SANYO TECHNOLOGIES LIMITED. A Rs. 16 crore, profit-making company in the BPL Group.

A growing leader in the music-making business. A manufacturing base on par with that in Japan. A 2500 strong dealer network. With a brilliant future.

To begin with, BPL SANYO TECHNOLOGIES LIMITED is getting ready to export 5,00,000 two-in-ones, Component Systems and CD players, all the way to SANYO, Japan. For the first time in history. These systems, will also be available in the Indian market.

Now, BPL SANYO TECHNOLOGIES LIMITED is going public. It's an Issue that has everything for every Investor. It's a simultaneous Issue of:

a) 11,50,000 Equity Shares of Rs. 10/- each for cash at par.

b) 8,80,000 12.5% Secured Redeemable Partly Convertible Debentures of Rs. 150/- each for cash at par.

c) 6,50,000 14% Secured Redeemable Non-Convertible Debentures of Rs. 100/- each for cash at par.

Yes. BPL SANYO TECHNOLOGIES LIMITED is a musical bonanza.

HIGHLIGHTS

- **Promoted by BPL GROUP - pioneer in the Electronics Industry**
- **An established profit-making company**
- **Highly qualified and experienced Management**
- **Project for the manufacture of high quality Consumer Electronics Products supported by state-of-the-art SANYO TECHNOLOGY**
- **Assured buy-back of audios by SANYO of Japan**
- **A country-wide established marketing network**
- **Tax exemption on export profit**
- **Participation of Financial Institutions and Mutual Funds**
- **Conversion on allotment into 5 Equity Shares of Rs. 10/- each AT PAR for every Convertible Debenture**
- **88A (applied for) and other tax benefits for investors on Equity Shares including Equity Shares arising out of conversion of Partly Convertible Debentures**
- **Easy liquidity - listing on Bangalore, Bombay and Cochin Stock Exchanges**

Lead Managers to the Issue

CANBANK FINANCIAL SERVICES LTD
(a wholly owned subsidiary of Canara Bank)
K.G. Road,Bangalore 560 009

THE INDUSTRIAL CREDIT AND INVESTMENT CORPORATION OF INDIA LTD
Merchant Banking Division, 163, Backbay Reclamation, Bombay 400 020.

Manager to the Issue

INDBANK MERCHANT BANKING SERVICES LTD
(a wholly owned subsidiary of Indian Bank)
31, Rajaji Salai, Madras 600 001

BPL SANYO TECHNOLOGIES LIMITED

ISSUE OPENS: 5th SEPTEMBER 1990

1915 – 1990
75
UB JUBILEE

THE UB GROU

THIS IS WHAT A POWER FAILURE DOES TO YOUR PRECIOUS DATA

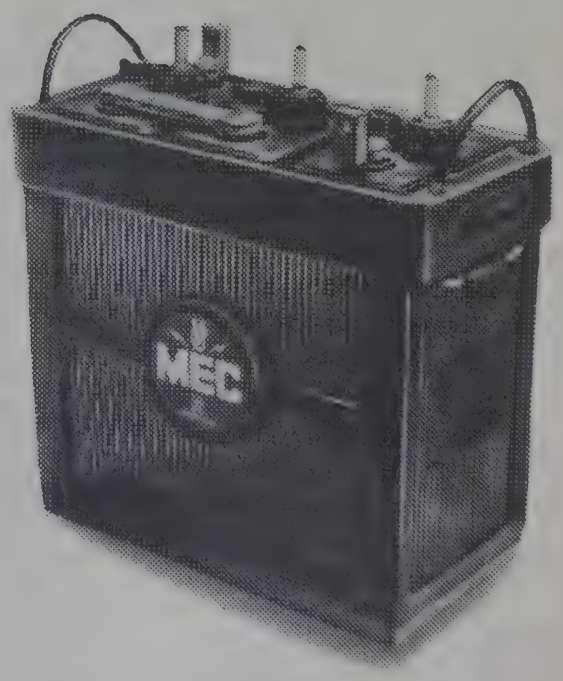
Wiped out. Just like that.

Vital data accumulated painstakingly after months of research. And just as a success story was round the corner, a two seconds power failure crosses its path. The result – irrepairable loss.

UB-MEC EMEL-T Series 6 volts Monoblock UPS batteries. The ideal back-up system for computers, office automation, operation theatres, emergency lighting.....

UB-MEC UPS batteries, allow you to work through a power failure. Uninterrupted. Unhassled. Unconcerned.

Remember, when you install a UPS system, make sure its powered by UB-MEC Batteries.



MEC

UB-MEC BATTERIES LIMITED

MEC Factory Road, Yeshwantpur, Bangalore-560 022
Telephone: 360161–3, 361112–3 Telex: 845–2341 Grams: MECWORK

AAA/UB-MEC/9048

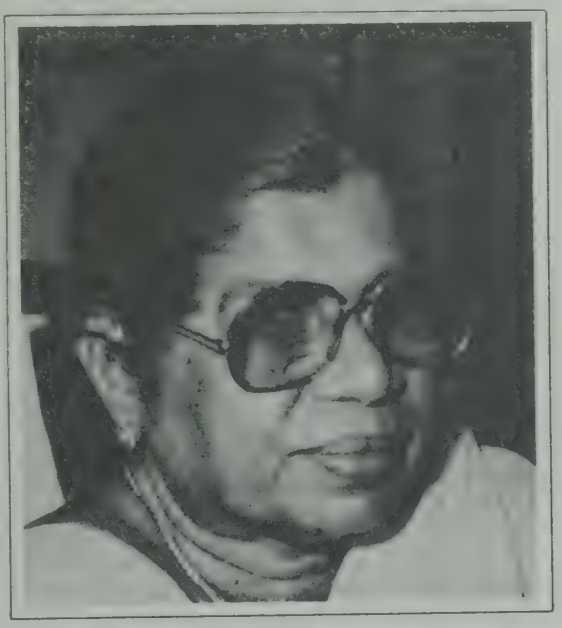
MML

Looking for cash

The lethargy of the Kerala government and lack of funds has brought this manufacturer of titanium dioxide to a sorry pass. But a deal being negotiated with TOMCO could swing it back into a bold black

Whenever you think of paint, think of Kerala." This could well be the Kerala government's present-day slogan to woo industrialists to the southern tip of the state. For here are located two public sector units which manufacture the single most important raw material for the paint industry — titanium dioxide, the brilliant pigment used as a whitening agent.

One unit, at Trivandrum, is the 44-year-old Travancore Titanium Products (TTP), long spinning money from its monopoly over India's titanium dioxide manufacture. The other unit, near Quilon, is Kerala Minerals and Metals Ltd (KMML), currently the focal point of covetous looks from upcountry industrialists of the likes of the Tatas, the Birlas, Vijay Mallya and the DCW group.



Gouri: no fears about capitalists

Why these businessmen are suddenly interested in a foundering public sector company in industrially fallow Kerala is not difficult to fathom. Put simply, there is a lot of money in titanium dioxide. Not only is its price profitable, there is not enough of the valuable product going around. One tonne of titanium dioxide costs Rs.75,000 in India. Also, with annual demand at around 65,000 tonnes, and domestic production of 20,000 tonnes (divided roughly between TTP and KMML at the moment), there is a gap that has to be filled by imports.

Lucrative activity

Worldwide, chemical companies have found manufacture of titanium dioxide to be very lucrative, despite the high costs of tackling the attendant pollution problems. In India, Kerala has long had a monopoly over titanium dioxide manufacture, thanks to its natural resource of beach mineral sands rich in titanium ores. This monopoly has let TTP remain the state's most profitable public sector company (1988-89 profits: Rs.11.85 crore, on a turnover of Rs.38 crore) despite outdated technology, ancient machinery and low capacity utilisation.

But its sister, KMML, shares no such joy. Though it is more modern and employs a less polluting technology, it is gasping on the sick-bed. By March 1989, it had accumulated losses of Rs.61 crore and posted a negative net worth of Rs.31.18 crore. According to K.R. Gouri, Kerala's tough-minded minister for industries who is struggling to push the pace of industrialisation in the state, the company's losses have now snowballed to Rs.90 crore. And this, when over Rs.135 crore have been sunk into the company.

Though the company fared slightly better in 1988-89, raising capacity utilisation from the previous year's 31 per cent to 42 per cent and increasing turnover by 76 per cent to around Rs.61 crore, it still posted a net loss of Rs.96.34 lakh. And last year's loss was a whopping Rs.19.56 crore. Much of this is due to the single most important drag on the company's financial performance — its heavy commitment towards finance charges. In 1988-89 alone, interest and bank charges totalled Rs.14.54 crore.

Clearly, for the funds-starved government of Kerala, the only way to prop KMML back on its feet was to approach the private sector. And the first to be ardently wooed were the Tatas, whose company TOMCO holds a licence for a titanium dioxide plant. A flurry of meetings early this year between Gouri and TOMCO bosses, and later Ratan Tata himself, culminated in an offer from the Tatas. TOMCO would pump in around Rs.350 crore to first raise KMML's capacity utilisation to over 67 per cent in about 18 months and then increase it to 50,000 tonnes per annum (tpa) from its present installed capacity of 22,000 tpa.

Advantage of experience

According to TOMCO managing director, N.S. Sunder Rajan, his company wants to diversify into this unrelated product line because a "vast untapped potential exists". There is also the advantage of tapping the knowledge and experience of two senior TOMCO hands. TOMCO chairman H.N. Sethna is a former chairman of the Atomic Energy Commission and Sunder Rajan headed the nuclear waste management division of BARC. Both have had experience in dealing with rare minerals like ilmenite, which forms the basic raw material for titanium dioxide.

But TOMCO's proposal is still hanging fire, as the Kerala government has yet to take a policy decision. For KMML, no doubt it is important that the decision be made as fast as possible. It was the government's delayed action in the past that has primarily pushed what could have been a highly profitable venture to such a miserable pass. The company has the potential to meet the entire country's titanium dioxide requirement.

Originally a privately owned family concern mining rare minerals like ilmenite, KMML (earlier called F.X. Pereira & Sons Minerals) was taken over by the Kerala government in 1956. Ilmenite is the basic raw material used in the manufacture of titanium dioxide. The state government, realising its potential against the backdrop of a burgeoning paint industry, decided to set up a plant to make titanium dioxide from the captive ilmenite supply in the early seventies. TTP had already been manufacturing the product in the state for a long time by using the old sulphate route.

KMML decided to go in for the new and more efficient chloride method. The technology itself is a highly sophisticated and complex one and is the privy of just four manufacturers worldwide. KMML contracted Kerr McGee Chemical Corporation of the US to supply the technology and help build the plant in 1977. The four-year deal cost the Kerala government $3.5 million.

The project was jinxed from the beginning. Work which was to begin in April 1978 started only in June 1979. Originally

expected to be completed in 1982, the plant could be commissioned only in January 1985, and this added Rs.30 crore to the original cost of Rs.65 crore. But that was not the only problem KMML faced.

Kerr McGee walked out in 1982 at the end of their contract period, leaving the work half done. KMML engineers had to finish the plant construction on their own. And their inexperience in dealing with this technology showed in the plant's performance once it was commissioned. Due to technical problems, the maximum capacity utilisation the plant ever achieved was 42 per cent in 1988-89. In other years, utilisation ranged between 20 per cent in 1985-86 to 24 per cent in 1989-90.

Desperate for technical help, KMML signed another agreement in 1986 with Kerr McGee, which the Union government approved the following year. The company was to pay the Americans $2.5 million for the modernisation. But this time Kerr McGee raised its demands, asking for a 60 per cent stake in KMML's equity before it would part with its drawings and plans for upgrading the plant. But the state government said 'no go'. Faced with the government of India's norms, Kerr McGee was finally willing, as recently as in 1989, to whittle its stake claim down to 40 per cent. But the Kerala government refused again and so, today KMML limps along in search of technological crutches.

Nonetheless, the company would have been in a worse shape if it wasn't for the periodic rise in prices it managed for titanium dioxide. When the project cost was estimated at Rs.65 crore, the price of one tonne of titanium dioxide was Rs.15,000. But when commercial production began in 1985, the ex-factory selling price had risen to Rs.30,000 per tonne. Today it is Rs.75,000. Thus, as even the management points out, while the project cost rose 61.5 per cent, the cost of the product swelled by 400 per cent. At the current price for titanium dioxide, the company can break even at just 38 per cent capacity utilisation. But paint manufacturers, who are KMML's customers, don't think this is a reflection on its capabilities for, by raising prices at will, KMML is only exploiting a monopoly position.

No guarantee of supply

Says M.J. Thomas, purchase manager of Asian Paints Ltd, the country's largest paint manufacturer, "In April last year, KMML suddenly hiked the price of titanium dioxide by 25 per cent. Not only that, there is never any guarantee about their supply, nor any clear-cut distribution policy." Hence, 85 per cent of Asian Paints' requirement is met through imports — which turns out cheaper too. The landed cost of the KMML product works out to Rs.80,000 per tonne, while the imported material costs Rs.74,000.

The price hikes have not and will not solve the company's problems. To set things right, KMML needs to upgrade its technology and to repay its huge debts, which calls for large sums of money. And that is something the government of Kerala just does not have. Hence the search for a Dr. Moneybags to infuse life-sustaining cash (immediately around Rs.100 crore) into the moribund system of KMML. Says chairman V. Ramachandran: "KMML urgently needs both funds and steps for the better utilisation of technology. These problems won't just go away; they have to be confronted."

Industries minister Gouri is evidently prepared to tackle these problems head-on. Going by her recent public utterances, she seems to have jettisoned dogmas and fears about capitalists and big business. This, however, is not the case with many of her colleagues in the Left Democratic Front government. As one senior bureaucrat said, "There is still a mental block about private capital." Moreover, in this Communist ruled state, the political implications of inviting private capital into a monopoly public sector company are fraught with danger. Already, opposition political parties and most trade unions have begun crying against a "sell-ou and a "mortgage". This is why the Kera government has been dilly-dallying ov the TOMCO offer, made eight mont ago.

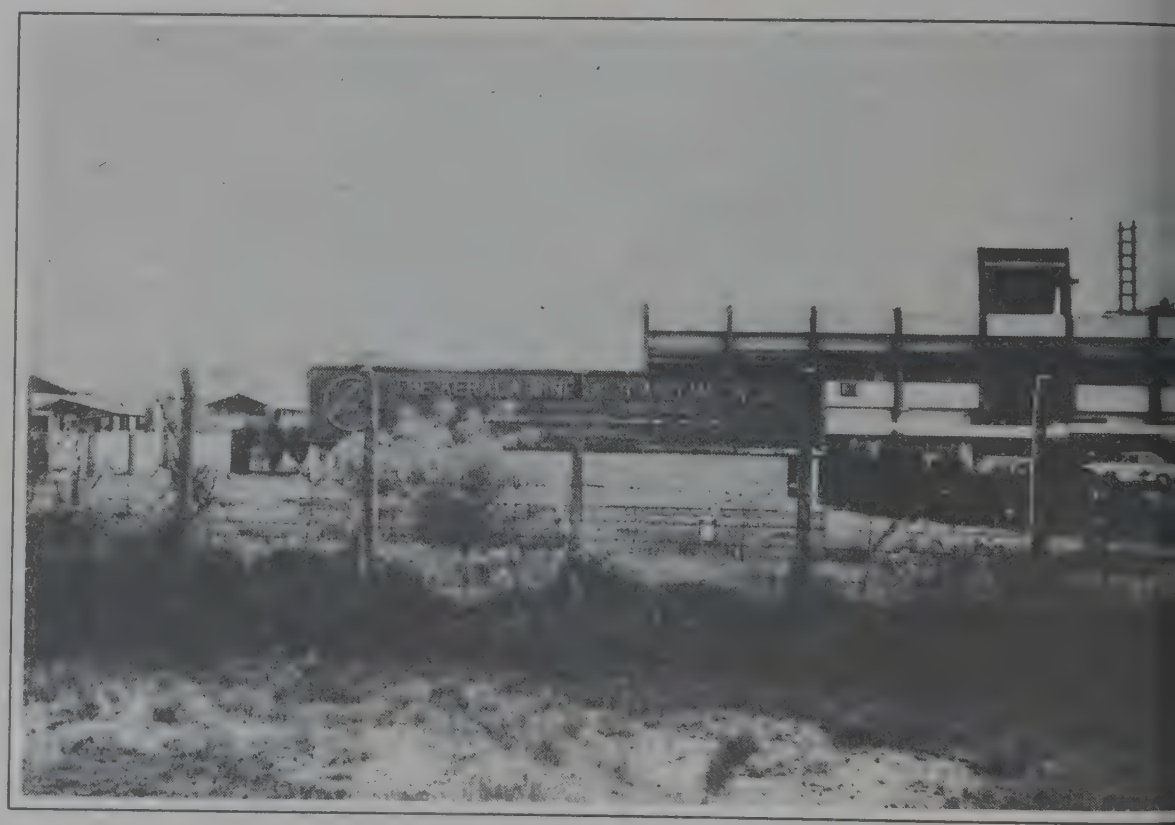
Best option

For the Tatas, who are clearly in the lead the reckoning for the deal, setting up greenfield project to manufacture tanium dioxide would cost over Rs.3 crore and take up all of five years. Mea while, by 1994-95 worldwide titanium oxide production is expected to increa by 300,000 tonnes. That does not seem be a happy scenario for TOMCO which i tends to export part of its productio TOMCO would therefore, like to be player in the field right from the word g This can be done only by taking over joining an existing project. And, undoubt edly, the best option going is KMML.

True, mineral sands are also found i parts of Tamil Nadu and Orissa an TOMCO managing director Sunder Raja claims the company can develop techno logy in-house. But engineers consider n site as good as KMML's at Chavara. In fact some even rate it the world's best for ti tanium ores. But whether 'best' will eve become the adjective that can happily b plastered on to the corporate entity o KMML is anybody's guess. And the one who are guessing desperately are the com pany's 1,000-odd workers — and the Tatas, for sure.

■

K.G. KUMA



The KMML plant, Kerala: everything going for it, but cash

SIEMENS



Speed Matches Need

Siemens is able to continuously narrow the gap between need and response through a unique combination of human and technological resources.

When floods devastated the Reliance Industries Ltd. plant at Patalganga, near Bombay, last year, a Siemens task force went into action. Working night and day with access to spares and other facilities from the Siemens network, it was able to put the factory back in action in record time.



A fusion of human and technological resources enables Siemens to meet the need of the hour with upto-the-minute service.

Siemens sets the standard in a wide range of products, systems and projects. These include control and automation systems, railway signalling equipment, medical electronics, switchboards, switchgears, drives and motors, turnkey projects or new dimensions in telecommunications.

Trained to work with clockwork precision, Siemens service personnel make sure that with the best features of the product you also get one of the best features of the company—a swift response to your needs, anywhere, any time.

Siemens Ltd.,
P.O. Box 6597, Bombay 400 018.

Siemens
Where international technology meets human needs.




FEELS
SO
GOOD!
THE
PREMIUM
SUITING
BLENDS
Siyaram's®
® Regd. Trade Mark of Siyaram Silk
WORK & LEISURE-WEAR SUITINGS FOR MEN

Perhaps, Peter Drucker should have come to India to write this chapter:



'Business grows with closeness'

Why only Peter Drucker, anyone can learn from the 'Practice of Management'. It's a chapter that we've constantly opened to keep pace with your business and travel needs.

At Hotel Siddharth, exclusive 5 star service is capsuled in a winning smile.

From our multi-faceted spread of restaurants, recreation and conferencing facilities to the people who make your dreams come true.

Take a spot check into a warm new world. Because that's the essence of this small hotel with a big heart!

For reservations, contact:
Bombay: 233606, **Calcutta:** 448864, 431434, **Madras:** 868409.

MBCC Centres at:
Ahmedabad: 467059, **Baroda:** 67184, **Cochin:** 369417, 365417, **Coimbatore:** 37559, 32957, **Gwalior:** 23276, **Guwahati:** 22040, 33968, 24813, **Indore:** 35014, 4588, **Kanpur:** 211579, 211584, 211550, 65368, **Kota:** 21787, **Lucknow:** 34154, 34023, **Mangalore:** 24596, **Panaji:** 5420, **Nagpur:** 524279, **Nasik:** 30092, 30093, **Patna:** 222579, 225462, **Pondicherry:** 24230, 26010, **Pune:** 57786, **Surat:** 44996, **Thane:** 509552, **Vasco-Da-Gama:** 3508, **Varanasi:** 44460, 42462, **Trivandrum:** 77702, **Jallandhar:** 57408, 57424, 77073.

You're among friends

JAYPEE HOTELS



Hotel Siddharth

3, Rajendra Place, New Delhi-110 008.
Tel: 5712501. Tlx: 77125.

Karishma/JPH/57/2719

KW

Back from the brink

ur loss-making years, a long lockout and an ossified approach to industry d set the company back irreversibly, it seemed. Then a new management d the sale of a plant achieved a remarkable turnaround. The question is: n it be sustained?

ey were brought in to save the company. d the new management, headed by airman M.C. Borlenghi and managing ector Surender Mohan Batra, seems to ve won the first round. After four long ars, Guest Keen Williams (GKW), the ing engineering giant, turned around st year (year ended March 1990). It ade a net profit of Rs.13.19 crore on a rnover of Rs.236 crore in 1989-90 ainst a net loss of Rs.1.67 crore in the 15-nth period for the previous year.

On an annualised basis, sales were up by per cent; today the earnings per share Rs.5.50. Consequently, the price of W's share, which was languishing at ound Rs.18 about six months ago, has w reached Rs.55. For the over 300,000 W shareholders, there was more wel-me news. After four years, the company so declared a dividend (15 per cent).

No doubt, GKW's turnaround is a near-racle, particularly because it has wiped t almost the entire losses of the last four ars — Rs.14 crore — in just one year. t the turnaround is almost entirely due one factor: the sale of the company's tomotive pressing unit at Kanhe (near ne) in Maharashtra. The unit was sold r Rs.28 crore to the automobile giant, ahindra and Mahindra Ltd., in Septem-r 1989.

ant sale helped

ter deducting the book loss, the profit m this sale was Rs.9.84 crore — three-arters of this year's net profit. The ney has also helped GKW bring down operational expenses considerably for e last seven months, September 1989 to rch 1990. It provided the much-needed rking capital and brought down the mpany's borrowings by Rs.22 crore. nsequently, GKW's interest cost opped by Rs.3.34 crore, just Rs.13 lakh s than the operating profit earned dur-g the year. The sale of the Kanhe unit has so saved the company Rs.1.50 crore rth of depreciation.

The company's management, on its rt, is not ecstatic about all that has hap-



Batra: put GKW back on its feet

pened so far. For Borlenghi, who is also a nominee of GKW's parent company — Guest Keen Nettlefolds (GKN), which holds 47 per cent of the company's equity — all that the 1989 results make clear is that GKW has survived the traumatic phase it was going through since the mid-eighties. "GKW had far exceeded its borrowing limits and accumulated huge losses. To continue operations it only needed to generate its own funds. This it has succeeded in doing," says Borlenghi.

Clearly, the sale of the Kanhe unit was a major turning point for GKW. But the effort to revive the company began at least two-and-a-half years ago with the induction of a new management team. "Ever since we came in," Batra explains, "we have taken several important decisions that were long overdue for implementation. And by implementing them we have put a sick company like GKW back on its feet." Batra is a reputed management consultant from Bombay and basically a GKW man. He left the company in the seventies to begin business on his own.

What exactly have Batra and his team done to revive GKW? According to Batra, their objectives are wide-ranging — from the discontinuation of some unremunerative products and changing the product mix to the rationalisation of the labour force and ensuring better financial management.

Waste is out

To begin with, Batra focused on improving the company's financial position. And to achieve that within GKW's existing framework he attached maximum emphasis to trimming down anything proving wasteful in the long run.

GKW was born in the early twenties and soon developed into a renowned engineering company. It has developed a wide range of products over the years. These include bolts and nuts, bright steel bars, hot rolled bars, mild steel pressed components, jigs, fixtures, workshop gauges and tools, fans, motor and generator stampings, safety pins, etc. But the growth of the small scale sector in these fields, coupled with the rise in excise duty (from 5 per cent in the mid-seventies to 21 per cent now), rendered them non-competitive.

The products that Batra and his team identified as unremunerative were mainly bolts and nuts. Since a complete stoppage of their production was not feasible, GKW reduced the production of those items where margins are lower and concentrated more on the high-margin products. The company is, for example, producing more high tensile bolts and nuts: in this particular area its technical superiority over its small-scale competitors is marked. GKW is following the same strategy for screws, rivets and clips.

To become more competitive it was also necessary to rationalise the employee strength (11,355 in 1986), which for his-

GKW: Key data *(Rs crore)*

	1985	1986	1987	1988-89 15 months	1989-90
Sales	209.48	213.29	212.21	238.84	235.95
Interest	9.10	9.26	8.08	10.21	6.87
Gross profit	3.12	4.10	5.90	3.68	18.13
Depreciation	4.82	4.52	4.51	5.35	3.79
Profit after tax	(1.70)	(0.42)	(10.41)	(1.67)	13.19

You need to know the right source for quality chemicals – HOC

Hindustan Organic Chemicals (HOC) manufacture a wide range of basic chemical intermediates at modern plants located at Rasayani (Maharashtra) and Cochin (Kerala), to meet the growing needs of various vital industries.

HOC's quality products have gained international acceptance and earned prestigious awards for export performance.

MAIN PRODUCT RANGE

Acetanilide • Acetic Acid • Acetic Anhydride • Acetone •

Meta Amino Phenol • Aniline • Butene-1, 4-Diol •

Butyne 1, 4-Diol • Di-Chlorobenzene • Cumene •

Cyclohexyl Amine • Meta-Dinitrobenzene • Formaldehyde 37% •

Nitrobenzene • Meta-Nitrochlorobenzene • Ortho-Nitrochlorobenzene •

Para-Nitrochlorobenzene • Di-Nitrogen Tetroxide (N_2O_4) •

Meta-Nitrotoluene • Ortho-Nitrotoluene • Para-Nitrotoluene •

Oleums (20%, 24%, 65%) • Phenol • Resorcinol • Sulphuric Acid 98%

BY-PRODUCTS:

Acetic Acid (Dilute) • Hydrochloric Acid • Iron Sludge • Phenyl Cyclo Hexyl Amine •
Spent Sulphuric Acid • Sulphite Sludge • Sulphur Sludge

HOC is currently in the process of estimating present and future demand for its products. Please write at the following address indicating your present and future demand:

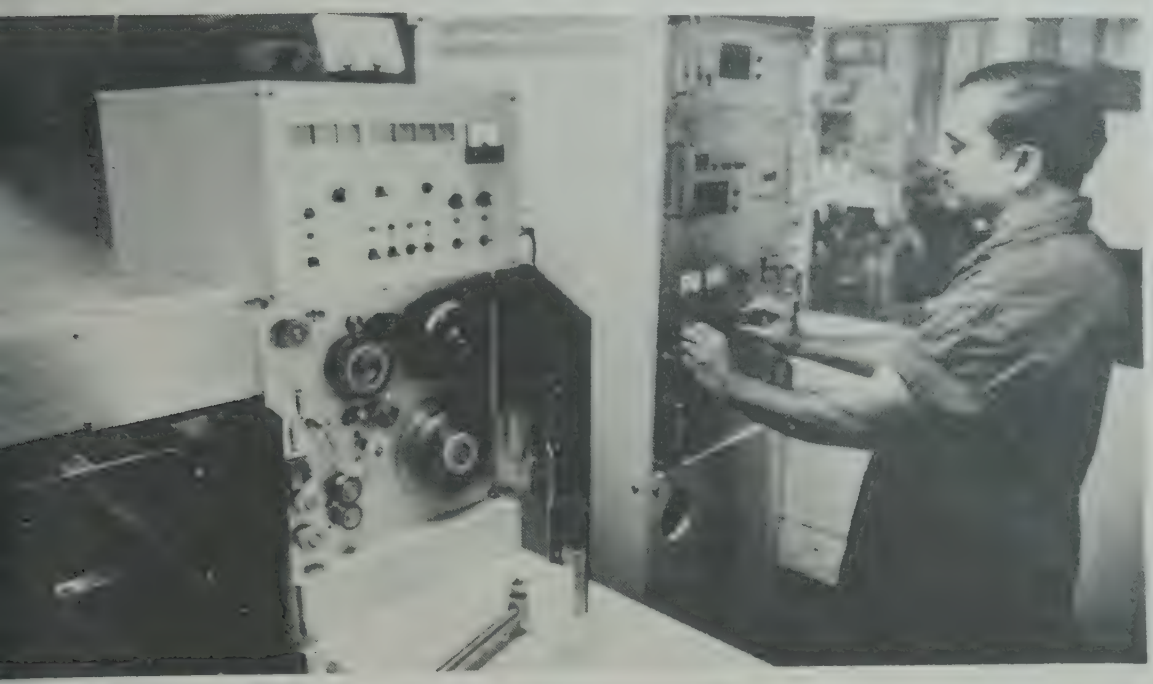
Marketing Division:

HINDUSTAN ORGANIC CHEMICALS LIMITED

(A Government of India Enterprise)

Harchandrai House, 81, Maharshi Karve Road, Marine Lines, Bombay 400 002.
Tel: 314269-71-72 • Telegram: 'HINORCH' BOMBAY • Telex: 011-84706 HOCL IN

– Pioneering Progress Through Chemicals



e Bhandup plant: site of a successful retirement scheme

ric reasons was very high. Accordingly, atra launched a voluntary retirement heme (VRS), which was successful. In 987 alone, the year he took over, the orkforce was brought down by more an 1,500. The company made a provi-on for more than Rs.2 crore for the VRS at year. In the next two years GKW spent nother Rs.7.5 crore on the scheme and nally brought the workforce down to 600 in 1989.

In the Andul Road (Calcutta) unit it-lf, which was locked out for 14 months October 1987 to December 1988), at ast 1,200 people accepted the VRS. The mpany's two other units — at Bhandup Bombay) and Bangalore — also reduced e workforce significantly. In the final nalysis, the reduction in the workforce as saved GKW about Rs.1 crore last year employee costs.

live, but still to thrive

o doubt, the efforts have started yielding sults. But GKW still has a long way to go. We have proved we are alive but we are et to show that we are thriving," says Bor-nghi. One major thrust area the com-any has identified is improvement in oductivity, which is still a problem area r GKW.

Even after the lifting of the 14-month ckout at the Andul Road unit, produc-ity is still very low. According to V. ambe, the GKW director in charge of the astern region, absenteeism is chronic. Despite our best efforts, we simply fail to ake the workers understand that under e present circumstances we cannot af-rd so much absenteeism," Tambe la-ents. Worse still, even though the trade nions don't support this fault, they can-not change the employees' behaviour. In 1989-90, the Andul Road unit contributed Rs.65 crore to the turnover. But it is making a loss. In Bombay, the company is currently negotiating for a productivity linked wage agreement, says Gopal Srinivasan, director and in charge of the Bombay plant.

Productivity apart, GKW is also concentrating on new areas in which its technical skills can be utilised. For example, it has excellent tooling facilities in most of its plants, which the company now plans to utilise to make dies and moulds for a wide range of plastic components and products. GKW has already entered into an agreement with Videocon to provide moulds and dies for plastic components for its televisions, air conditioners and washing machines. As most of these dies and moulds are imported, J.D. Curravala, the company's finance director, feels that there is a big market for GKW to tap.

Another area the new management is attaching greater importance to, is marketing. It is strengthening its dealer network by closer monitoring and plans to enter the original equipment (OE) market in a big way. "For OE the products will be tailor-made, but once accepted the orders can be huge," says Srinivasan optimistically.

For the corporate world, GKW's turnaround is definitely an event that rouses a great deal of interest. And what Batra and his lieutenants have done is undoubtedly laudable. But as he and others in the company point out, there will be good times only if growth continues in the coming years too, when there is no other Kanhe unit to be sold.

KAVERI MITTRA

■

Custom Moulding from Sintex



You name it, we can do it !

At Sintex we have refined the craft of custom moulding to an art.
In any industry the specifications vary from job to job and the standard containers might not be able to satisfy your need.
The next time you are stuck up in such a situation,come to us, give us the specifications and we will make a satisfactory product out of it. In fact, we have already developed a host of innovative products for a variety of customers.

For Further information contact

SINTER PLAST CONTAINERS

Plastic Division : **The Bharat Vijay Mills Ltd.**
KALOL (N. GUJARAT) 382 721
Phone (02764) 2228, 2274, 2352, 3144, 3145
Gram : "SINTEX", Telex . 01205-202 SPC IN
Fax : (02764) 2385

Bidhan SPC/158/90

MOTEURS LEROY SOMER join ha
in the manufacture of BRUSHLESS
for GENSET applicati

Terminal box

Large terminal box allowing the easy mounting of optional equipment as:
- Measurement Transformers (CTS)
- Circuit Breaker
- Heaters
- Terminals for temperature detectors

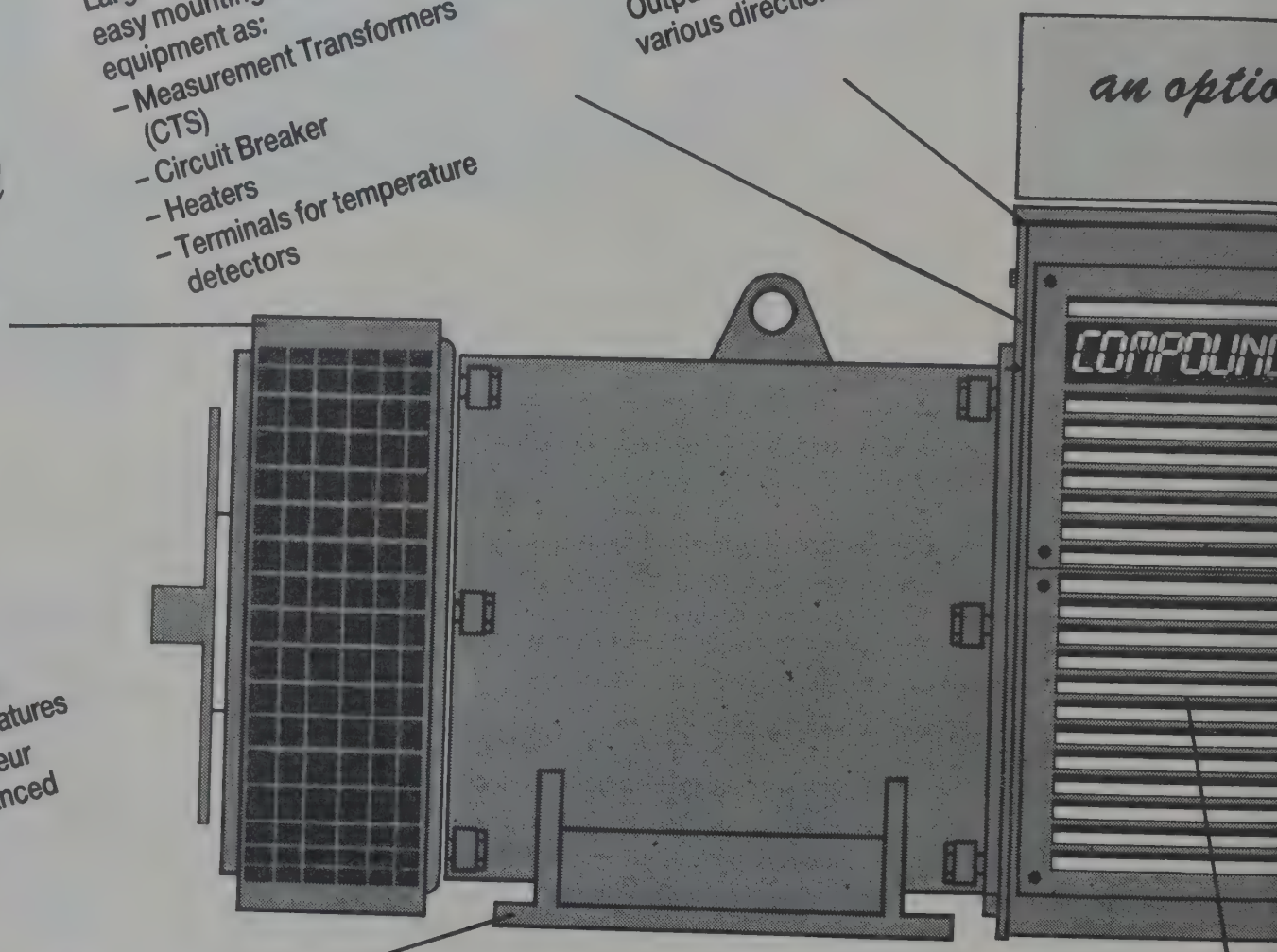
Terminals

Easily accessible
Output cables can be run in various directions

an optio

Mechanical Protection

IP 23 S



Rotor

Above 25 KVA
Shaped Aluminium winding wedges ensure excellent features "Damper Bars" (Amortisseur winding) fitted for unbalanced loads

Frame design

Welded Steel Frame
Cast iron end shields

Bearings

Up to 35 KVA, bearings are "Sealed For Life"
Above 35 KVA, bearings are regreasable
Single bearing & double bearing models are available in all frame sizes.

Removab panels

Allows for easy accessories
Eases access components

KEL

KERALA ELECTRICAL & ALLIED ENG

(A GOVERNMENT OF KERALA UNDERTAKING)
7th Floor, Housing Board Office Complex, P.B. No. 2301, Panampilly Nagar, Cochin - 682 016
Phones: 360311/352281/368296/360848 Telex: 0885-6525 KEL IN
Regional Offices: New Delhi - Tel: 737863 Bombay - Tel: 212440 Calcutta - Tel: 349781
Bangalore - Tel: 214508 Madras - Tel: 846148

th KEL
NERATORS

ontrol panel

Mounted on rear terminal box
Simple to fit and connect.

ompound
System

Self exciting- Self regulating
Allows operation with unbalanced loads since 3 phase sensed
A wide range of specification
"Back Up" auto-regulation in case of regulator failure
Robust Components
Sustained short circuit (3 In)
allowing selective protection
Paralleling operation without CTS
Over voltage restricted to compound level in case of regulator failure.

xial
Ventilation

Improved life from improved cooling air circuit

CHNICAL COLLABORATION WITH

LEROY SOMER
FRANCE

D. LTD.

We are happy to announce the commencement of commercial production of **KEL-LEROY SOMER** brushless AC generators from our fourth manufacturing unit at Kasaragod. This most modern plant equipped with latest CNC machines, imported regenerative test benches is set up in technical collaboration with Messrs. Moteurs Leroy Somer of France. The Rs 200 million high-tech unit has an installed capacity of 3,000 brushless alternators per annum with a product range of 15-1500 KVA.

SPECIAL FEATURES

☐ Insulation

- Main stator and rotor, Exciter stator and rotor. Class F/H

☐ Compound Excitation System

- Comprising of 3 phase compounding transformer, auxilliary winding, 3 phase rectifier bridge and voltage regulator (optional upto 100 KVA). Self regulating without AVR

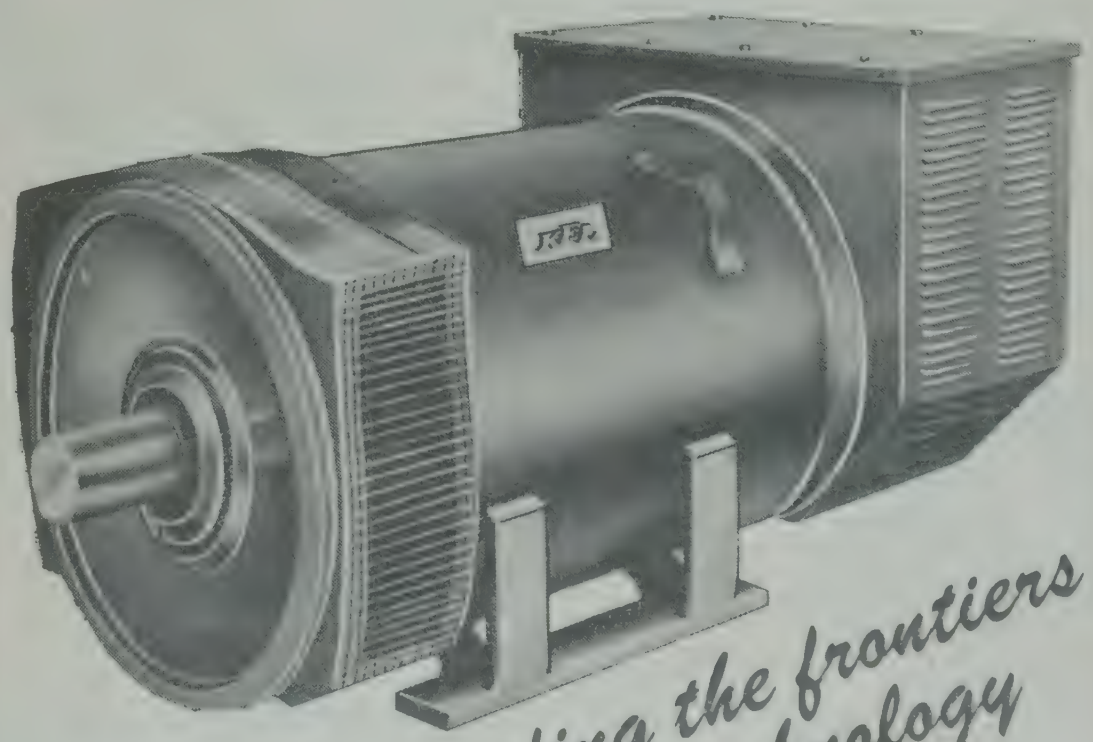
☐ Voltage Regulation

- The basic compound excitation system maintaining the voltage to within ±5% after reaching thermal stability.
- The alternator voltage is adjustable by a rheostat over the range 380 to 415 V, 50 Hz and 440 to 480 V, 60 Hz.
- Alternators above 100 KVA are supplied with an electronic voltage regulator (option on machines up to 100 KVA) that maintains the voltage to within ±2%.
- Power factor range 0.8 to 1.0.

☐ Electrical Performance

Apart from the voltage regulation characteristics the compound excitation system gives the following advantages:

- good motor starting, the compound system giving 2.5 to 3 times full load capability
- voltage dip on application of full load 0.8 P.F. in the order of 15 to 20%
- recovery time at constant speed for full load application less than 0.5 seconds.



Expanding the frontiers of high-technology

Aegis/KEL/1190

NOVELL
Authorized
Education
Center

All over the World Suddenly People have realised You don't have to pay more to get more.

– By choosing LANs instead of MINIs.

Now, more power for less,
if you have – The right connection.



NETWORK TODAY

CONNECT WITH THE BEST

MICROLAND

LEADERS IN NETWORKING

- 2, ST. MARKS ROAD, BANGALORE-560 001 PH: 211104
- RANI SEETHAI HALL BUILDING, 603, MOUNT ROAD, MADRAS-600 006 PH: 865186
- 41 TAMARIND LANE, FORT, BOMBAY-400 023 PH: 272738, 271388
- 5-9-30/5, 604, PAIGAH PLAZA, BASHEER BAGH, HYDERABAD-500 001 PH: 235299.
- 1 CASTLES, 84 RAJA BASANTHA ROY ROAD, CALCUTTA-700 029

he IPR issue

current GATT (General Agreement on ffs and Trade) discussions regarding e development include some new and troversial issues introduced by the CD countries, chiefly the US. They con- TRIPs, or Trade Related Intellectual perty issues, and TRIMs, or Trade Re- d Investment Measures. Both these resisted strenuously by developing ntries such as India as they are per- ed as new obstructions to liberalisa- of trade in goods, or at least as new gaining levers.

his is undoubtedly so, as trade in goods ardly free even with the loudest propo- ts of free trade; witness the textile and ar quota systems, agricultural sub- es and voluntary (only nominally) ex- t agreements. Nevertheless, it is also e that for better or worse, these issues be discussed at some point of time and this reason, it is necessary to evolve ative and constructive positions for negotiators.

First, one must understand the area of agreement between the OECD and de- oping countries. The term IPR stands two rather disparate concepts, viz, in- lectual property rights and industrial perty rights. The first has widespread ernational support — to protect origi- literary and similar creations to avoid giarism. The latter, however, is more mplex and so more contentious.

ubtful intellectual content

us one class of industrial property hts includes trademarks and service rks, many of which have doubtful intel- tual content. Thus, the rights under this ss are related more to issues of "mis- presentation to consumers" about qual- , origin, etc, than to "misappropriation producers".

Accordingly, these matters appear to late more to consumer protection laws an to intellectual property protection ws. Yet this class accounts for the largest rt of the claimed losses and by exten- on the emotional heat relating to inade- ate protection of IPRs! Moreover, much this loss is only a notional one that as- mes, often incorrectly, that the pur- asers of mis-represented goods would ve the purchasing power to buy the gen- ne goods at the prices asked for in OECD untries.

Patents are another class that do in- de intellectual content. However, current arguments for greater patent protection relate more to the "high cost" of doing research and development than to the "high originality" of inventions. The argument is that such activity not only needs more time but also larger volumes of production to recover costs. The same sort of argument is made in the case of protection for computer software and chips, semiconductor integrated circuits and biotechnological creations/discoveries. Since it is the high-cost economies of the OECD countries that are supporting such inventive activity, what is sought to be recovered is as much the cost of high living, as cost of originality of research.

Fear of exploitation

The current debate between OECD and developing countries boils down to the latter's desire for greater industrialisation. Another crucial factor is their fear of exploitation in case the finished products are held back at critical times, after dependencies have been created. These fears are typically addressed by insistence on compulsory licensing provisions in IPR treaties, even if these provisions are rarely invoked.

It is this complex set of reasons that is compressed into the single stated objection of developing countries: "fear of creating powerful legal monopolies" if protection is granted to such property. Reluctance to provide patent protection for drugs and pharmaceutical products is an excellent example of this complex fear.

The OECD countries, of course, are worried about the losses that could arise from piracy and misappropriation of non-protected IPRs. The fact is that the vast disparities between the price expectations of developed countries and the low purchasing power of developing countries are prime motivators of piracy, as in the case of computer software. The price mechanism is thus a very significant element of trade policy that has not received adequate attention.

Understanding the importance of the price mechanism in ensuring adequate IPR protection itself suggests a solution. If licences for protected industrial property, like patents for pharmaceutical products, were available at prices affordable by developing countries, the latter would be far less hesitant to provide legal protection for such property. Thus, pricing related to the purchasing power would address the concerns of both the owners of protected technologies and products and of consuming countries. Moreover, such pricing would also ensure that the high cost of higher living standards is not passed on to countries which can barely meet their own costs of living.

High-volume, low-margin strategy

Put another way, IPR owners could recognise the large consuming populations of the developing countries and work on a 'high-volume, low-margin' basis. It is the reverse that has created today's problems of piracy and prompted the developing nations' reluctance to provide "legal monopolies through protection". In contrast, the former may be the means to ensure tomorrow's explosion in international trade. Japan, itself an OECD country, albeit a silent one in these debates, is an outstanding example of the success of the high-volume strategy in industries such as semiconductors, electronics and automobiles.

It would, therefore, be in India's interest to introduce deliberations on price mechanism into the current debate. This could be done by adding licensing clauses based on cost of living to international agreements on IPRs. Along with compulsory licensing clauses in such agreements, this could overcome the hesitation of licensors in OECD countries and give India the benefits of increasing technology transfer, for mass consumption goods at affordable prices. It would also help us to avoid the political approach based on 'dogmatic' issues in a 'pragmatic' forum. Other developing countries such as China seem to sidestep these penalties by avoiding stridency; we need not mimic their silence if we can be creative in our pragmatism and get similar results.



■ PRAKASH G. HEBALKAR

The author is an international business consultant based in Bombay. He was earlier senior vice-president with a major information technology company

HAIR CARE

Gone today, hair tomorrow

His own shock of wiry, thick hair, streaked with grey, is a testimonial for his product. t must be a comforting sight to the owners of less well-endowed pates, reassuring them that S. Gopalakrishnan Nair's wonder remedy, Anoop Herbal Hair Oil, actually works.

Now that he has entered into a marketing tie-up with Godrej, both Anoop and its creator have gained legitimacy. At Anoop's launch in Bombay on 2 August, Nair's daughter showed off her crowning glory — she has to trim her locks every fortnight to prevent them brushing the floor. "We were intrigued by the reports of this product from our field force," says Protap Roy, senior vice-president marketing, Godrej. According to Roy, Anoop will broaden Godrej's product base in the hair-care sector.

Sheer product performance and word-of-mouth publicity have brought customers thronging to his home-cum-factory ever since 1982, when Nair secured a manufacturing licence. That was the culmination of eight years of experimenting with herbs and plants since he gave up his chemist's job at FACT. "I was actually doing some other work on plants and quite accidentally discovered that my concoction would promote hair growth," he explains. He tried it on himself first, and then his three daughters, who proved to be the ideal models. Nair soon knew he had a winner on his hands.

How the media helped

But the real boost to demand came from the media coverage from March 1989 onwards. It triggered off the deluge of enquiries that has permanently changed Nair's life. "A couple of months ago you couldn't have been able to walk into this house because of the crowd," he sighs. Many visitors were representatives of Indians abroad, especially in the Middle East where, in 1984, Nair began to sell Anoop through a distributor. But he soon began booking orders for his customers. He claims to still receive around 2,000 enquiry letters a day.

Does it really work? "Ask the thousands of people who have used it," answers Nair, sifting through a file of glowing testimonials from satisfied users — doctors, engineers, business executives, police officers and housewives from India and abroad. "If a man of 60 applies Anoop and complains he doesn't see any regrowth, that is to be expected. Regeneration at that age is more difficult," he explains, adding that it works best for younger men. "At any rate, I have never claimed it as a cure for baldness. It prevents hair loss and promotes growth of hair," he says.

Nair now makes an average of 40,000 bottles a month using traditional vessels and employs only 20 persons, including office staff. Only extraction is partly mechanised. Until the Godrej tie-up the only sales outlet was a counter at his own factory. Godrej has distributed Anoop to selected outlets, chiefly chemists, in Bombay, and has retained the original packaging. Since July, Nair has supplied Godrej 68,000 bottles.



Nair with wife and daughter: "never claimed as baldness cure"

The price is right

The response so far has been overwhelming, but will Nair's home-spun magic clash with the strategies of Godrej's marketing boys? Roy says they don't intend to push Nair for more supplies. "We are maintaining a close watch on the product," says Roy.

Increasing production now is impossible, mainly because the herbs Nair uses are not plentiful and are difficult to collect, though they are all available in Kerala. He is now considering cultivating some himself. Moreover, Anoop is of a thicker consistency than ordinary ayurvedic oils. These factors make the product expensive — Rs.75.25 for a 50 ml bottle from Arshik's (Nair's company) outlet in Trivandrum, Rs.100 for the Godrej-distributed bottle in Bombay.

Nair guards his secret formula as closely and zealously as Coca-Cola: he hasn't applied for a patent to avoid revealing the process and technique of manufacture. And that is also why he balks at mass manufacture. The ingredients — herb extracts with goat and buffalo milk — are on the label, but only he knows which herbs to mix, their proportions, and how to extract the essential oils. He will eventually pass on the secret to his wife and daughters. "I hope that one day," he says, "even after my death, science will acknowledge my invention."

That is precisely what led several large companies, multinationals included, to pursue Nair so ardently for so long. Last fortnight KEC International, the export house of the RPG group, offered to market Anoop in the USSR. "I could have sold my entire operation to a multinational," he says, "but I chose to tie up with Godrej because I value business honesty and clean dealings."

He still loses sleep supervising the manufacture of Anoop, but he is more than happy sitting amidst his Sony Trinitron, National mini-tape deck, a VCR, a new portable telefax machine and other trappings of success. He smiles, "At least I have the satisfaction of having seen such recognition in my own lifetime."

■ K.G. KUMAR with bureau report

"A New, Privileged Class For People Going Places."

Le Club



Now your business can really take off. With Le Club, the privileged class created by Air France to bring business travel into a new age of ease and style. Before, during and after the flight; with separate check-in counters, a refreshing drink to welcome you aboard, the carefully designed Le Club cabin - intimate and serene. And the new, generously proportioned "Espace 2000" seats, fully adjustable to bring personalised comfort to your way of working or relaxing. Plus some of the finest gourmet food flying today - with the choice now extended to include an exclusive "Regional Speciality" - accompanied by a selection of drinks with all the taste of France. And when you arrive, Le Club is still there to look after you, with a hotel room and a car anywhere in the world - additional services that can be reserved and settled in advance when you buy your ticket. This is Le Club: providing the outstanding levels of efficiency and personal consideration which the successful business traveller has a right to expect. From the moment you make your reservation right up until you reach your final destination. Fly Le Club. And discover the state-of-the-art in business travel.

THE NEW
CLASS
LE CLUB.

THE FINE ART OF FLYING

AIR FRANCE

6, Scindia House, Janpath, New Delhi 110 001 Phone: 3312853
Maker Chamber VI, First Floor, 220, Nariman Point, Bombay-400 021 Phone: 2024818

graphisads/1485



A HEADSTART IN PRODUCT INNOVATION

WIDIA

Your productivity – Our concern



WIDIA



'HAT'S WIDIA'S 'RACK RECORD

dia. Pioneer and leader. Constantly novating, anticipating changes. nsistently meeting newer customer eds.

uest to conquest. That's Widia's track cord. And the aim of its R&D. Fully nchronised with emerging product chnology. Backed by computer-aided sign and state-of-the-art anufacturing facilities. Making breakthrough contributions. Infusing superior quality in all Widia products: a comprehensive range of sophisticated toolings, flexible automation systems, special purpose machines...

Making Widia a true leader.

With its underlying spirit of innovation, Widia is ready for the challenges of the '90s.

R K SWAMY/WIL/4865

An invitation to host a peaceful conference in busy Khajuraho ...



TEMPLES

PALACES

WATERFALLS

FISHING

BOATING

WILDLIFE

Without having to board a plane at Delhi. For a meeting of the minds, there's no greater solitude than lush, pleasant Khajuraho. And to get there conveniently, you don't need wings. Just take the super-fast Shatabdi Express to Jhansi. And then our shuttle service, at a reasonable cost, drives you to Khajuraho, only four hours away. En route, enjoy a picnic at picturesque Orchha.

And then arrive at 11 acres of luxuriant green: the Hotel Chandela. With all the recreation facilities of a country club and more. Reside and confer in centrally air-conditioned comfort. Audio-visual aids and all other help will smoothen the proceedings.

Ah, Khajuraho! Catch the sunrise glow on the exquisite 9th century temples – the finest examples of temple architecture – and you catch the peace in busy Khajuraho. Come. **Forget the every-day. Experience the unforgettable.**

HOTEL
CHANDELA
KHAJURAHO

To find out more about our attractive Conference Offer, contact:

Bombay 2023366 Delhi 3322333, 3322256, Calcutta 292513, 292514 Madras 474849 Bangalore 269281 Hyderabad 222222 Cochin 6811 Ahmedabad 400304 Pune 661881

THE TAJ GROUP OF HOTELS

TSA-D/HCK/390

ASEFIRE

gniting sales

eptember 1989, when Ceasefire was ched, there was every possibility that product itself would go up in smoke. roz Engineer, the managing director of l Value Ltd, was playing with fire in e ways than one. Fire extinguishers n't quite what the average housewife s with her cauliflowers and detergent. , if she saw beyond the usual large, vy and unwieldy can, reasoned Engi- r, it could open up a new market ment.

mong the dozen-odd brands — the more l-known being Firex, Minimax, Vijay, ster, and Newage — Ceasefire has a dis- t product identity. It's a handy, porta- 500 gm container, priced at Rs.300. ease with which the housewife could Ceasefire in an emergency was high- ted by the Rs.3.5-crore advertising and rketing blitz that followed the launch. According to Raj Gupta, associate di- tor of Trikaya Grey, the advertising ncy which handled the account, "Our ch was aimed at arousing the con- mers' curiosity and convincing them t this small can of Ceasefire was effec- e." The press ads were followed by 30- ond commercials on TV aired thrice a ek. The commercial reinforced the fear a fire at home. "Logic wouldn't work, so decided to draw attention by emotional ackmail," explains Gupta.

rect marketing

pporting the TV ads was the video cas- te demonstrating the use of Ceasefire. ese were circulated by the company's -odd salesmen while on their rounds. e uniformed sales team was the only urce from which Ceasefire could be pur- ased. Engineer balked at dealing with e layers of retailers and agents, decided bypass conventional marketing savvy, d marketed his product directly. The re- t? On an average, each salesman has en selling six cans per day. The tradi- nal concept of the product has been en an alternative; and Ceasefire seems have ignited what has till now been a ewarm market.

Ceasefire was initially marketed in mbay alone but is now available nation- y. Local entrepreneurs familiar with the ying patterns of consumers in their ighbourhoods have been enfranchised distribute Ceasefire. "Sitting in Bom- bay," says Engineer, "I can't know how to sell in Guntur!"

Though Ceasefire seems to have passed the preliminary advertising and marketing tests and acquitted itself admirably, some doubts still linger in the market. Till this June, Real Value claims to have achieved a sales turnover of Rs.30 crore and sold 100,000 cans nationally. Industry insiders question these figures. They say the demand for fire extinguishers is necessarily limited in the household segment.

Restricted by size

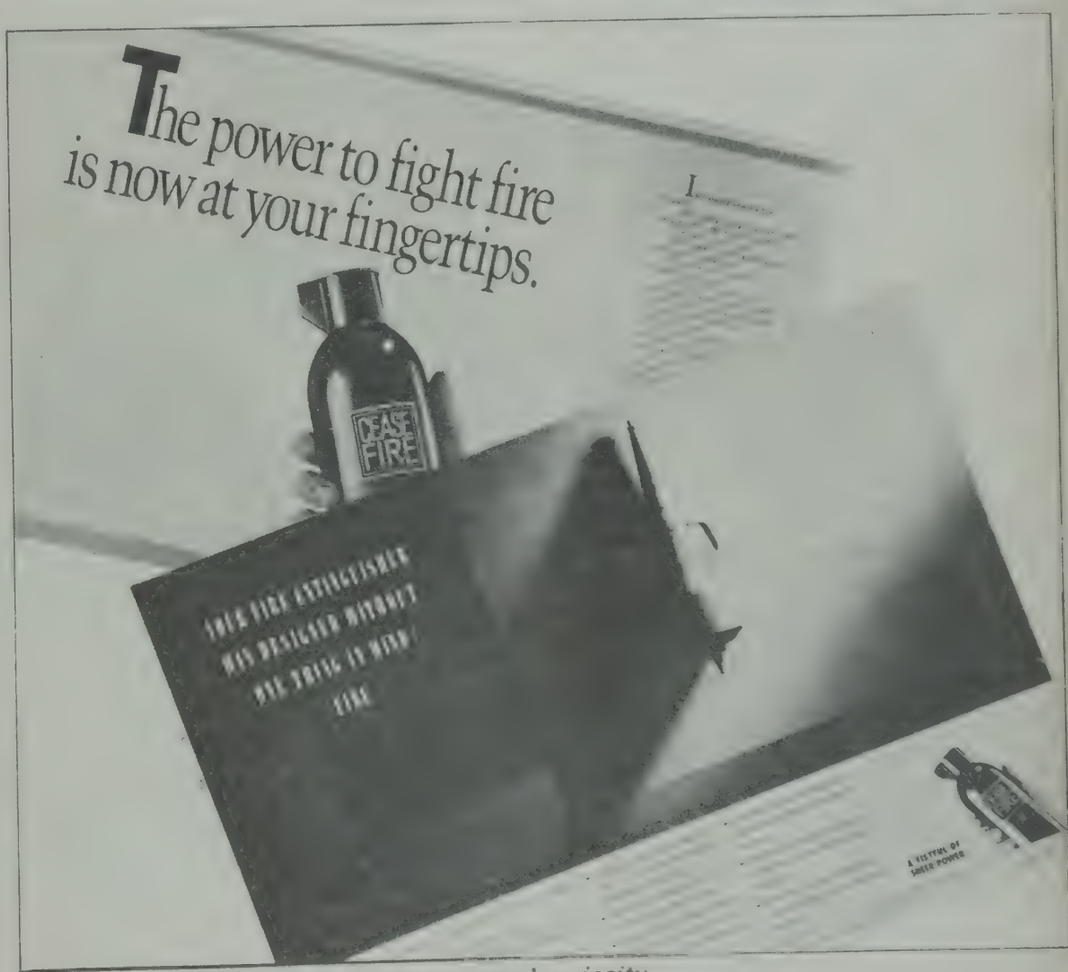
Their other contention is that Ceasefire's market is restricted even further because of its size: it is not suitable for commercial establishments which require larger cylinders that account for the bulk of demand. In fact, another manufacturer of fire extinguishers, Flowerke Industrie, attempted what Engineer has two years ago. The product, called Halex, was also launched in small cans. "We discontinued manufacturing small cans due to the limited size of the household market and are now concentrating only on the larger cans," says Krishnan, a partner at Flowerke.

Also at issue is the firefighting capability of Ceasefire's aerosol cans. Engineer claims that Ceasefire can extinguish a fire within a radius of six metres. But industry insiders point out that a 500 gm can is capable of dousing a fire only within a radius of two feet. "In case of a fire, a small can will not help in saving lives," says D.R. Shah, chief executive of Master Fire Fighters Pvt Ltd.

Obviously, Engineer sets little store by conventional wisdom. With awareness levels about the need and methods for home safety products rising, he is confident of a steady demand for Ceasefire and is not relying on the larger, commercial establishments for sales. In any case, as he points out, "Ceasefire was not designed for factories and buildings."

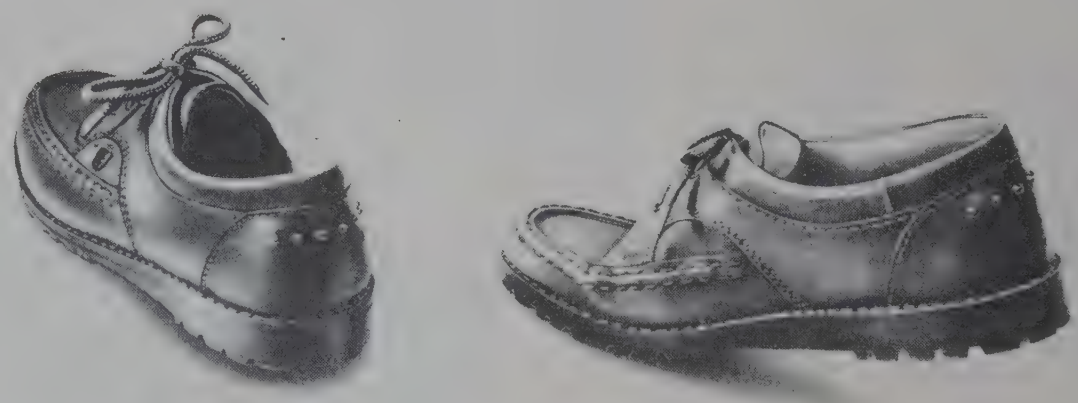
Despite the technical quibbling of other manufacturers, Engineer is unquenchably optimistic. With consumer acceptance, the price of the can has been hiked to Rs.360, and Engineer is projecting a sales turnover of Rs.40 crore by the end of this year. One year into the marketplace and Ceasefire has blazed a trail in the industry, as well as in marketing.

■ MAHIRA HASSANALI



The Ceasefire ads: arousing the consumers' curiosity

Klöckner-Humboldt-Deutz after-sales service and spares for Deutz air-cooled engines are nov within walking distance.



Just talk to any Kirloskar Oil Engines branch office or service dealer.

Or walk over to them if the telephones are misbehaving. And they'll send you an ace servicing man trained by none other than Klöckner-Humboldt-Deutz (KHD) themselves. Because starting July 19, 1990, KHD have appointed Kirloskar Oil Engines Ltd. as their sole after-sales service and spares agents for Deutz air-cooled engines.

And no wonder. Because one leader recognizes another.

KHD, pioneers in diesel engineering technology, have been state-of-the-art in diesels for the last 125 years. And today, are the leading diesel engine manufacturers in the world. A workforce of 17,000 people and a turnover of DM 4.5 billion speak volumes for the quality, dependability and performance of their machines.

Of course, keeping up this standard calls for equally competent after-sales service and reliable spare parts. And naturally, how could they trust such superior products with anyone but the best.

That's where Kirloskar Oil Engines Ltd. (KOEL) comes in. Part of the renowned Kirloskar Group of Companies, it is India's leading manufacturer of diesel engines. It was KOEL's unmatched reputation for engineering excellence and reliability and of course, its widespread network of after-sales service centres, that made it the obvious choice.

KOEL will now exclusively service and market spares for the entire range of Deutz engines in India. So if you've got a Deutz machine, be it servicing, replacements, complaints, queries or whatever, just ring us. And we'll be there. To keep your machines fighting fit. For years.

SOLE SERVICING AND SPARES AGENTS FOR KLÖCKNER-HUMBOLDT-DEUTZ ENGINES

KIRLOSKAR OIL ENGINES LIMITED

Laxmanrao Kirloskar Marg, Khadki, Pune 411 003.
Telephone : 55341, 56454
Telex : 0145-245 Fax : 0212-58453

Pratibha/KOEL/22'90A

TUAL FUNDS

an they deliver?

ee more banks, Andhra Bank, Bank of a and Punjab National Bank entered mutual funds market last fortnight. y joined the "young veterans", Canara k and the State Bank of India, who are ady in the market. The marketing has n aggressive and the response over-lming. The new breed of bank-spon-ed mutual funds is clearly on its way to ectively matching the Unit Trust of ia in mopping up the public's savings. the new mutual funds, though, the blem will be not so much tapping funds nvesting them in a manner that they ieve the twin objective of safety and wth.

Unlike in other countries, Indian mu-l funds assure the investor a guaran-d minimum return. In other words, the tual funds take on themselves the risk any possible loss arising out of the in-stments and thus provide a cushion to e investor who is a novice to the capital arket. In other countries, the mutual nds' investors share the risk and the re-ards equally. Says D. Basu, deputy man-ing director of State Bank of India BI), who was till recently managing di-ctor of SBI Capital Markets Limited, nitially, assuring a fixed return to the vestor was necessary because the saver d to be initiated into investing in the pital market." He, however, adds that w, after a few years of experience that investors have had, probably mutual funds should move away from assured returns.

Attractive returns

These fixed returns, according to the banks, are not the usual 12.5 or 13 per cent, but as much as 47, 50 and even 100 per cent, of course, spread over a period of 10 years. These figures need to be treated with a little caution. The promise of a 47 per cent return, for instance, is a simple return figure; the compounded rate of return, as the small print reveals is around 17 per cent a year. But, even that is very attractive. The question is, how do the mutual funds deliver the returns they promise investors?

An important incentive for the mutual funds is the new government guideline which exempts a mutual fund from paying taxes on its income if it distributes at least 80 per cent of its earned income in a year. Even so, ensuring returns of 17 per cent every year over 10 years will take some doing.



su: who will bear losses?

For the small investor, the advantage in mutual funds is that — one can hold a diversified portfolio consisting of investments in a variety of industries. There is also the hope, perhaps, that the funds will make a more professional selection of investments than a lay person. Mutual funds, in fact, stress the advantage of the professionalised research and analysis that goes into the decisions to buy or sell shares. At present, though, most of the new mutual funds are yet to set up their investment cells and the investor is actually banking on the reputation of the bank rather than any proven performance.

In the matter of payouts, mutual funds are basically of two kinds — income oriented or growth oriented. The first gives a steady monthly return; the latter offers the same guaranteed minimum return with the additional carrot of a higher, but variable, return. This is to induce investors to choose the growth oriented schemes, thereby locking funds which would then allow the fund to better plan its investment strategy. However, most of the schemes currently floated are income oriented, except for Canbank's Canstar and Bank of India's Boinanza, which have both income and growth options. Most offshore funds are growth oriented too.

Investment strategies

For a mutual fund, its investment strategies for income generation and growth maximisation will differ. While income oriented funds concentrate more on steady income generation, growth naturally requires high yields over a longer period of time.

For a steady income, mutual funds invest 65 to 70 per cent of their funds in fixed income yielding securities like the 11 per cent government paper, the 13 per cent public sector bonds and 14 per cent debentures market. Says K. Dharampal, general manager of Canbank Mutual Fund, "The average earnings on these investments will be 13 per cent." Investment in bonds, however, is only a temporary parking slot for the funds till debenture paper is available. This is obviously because the funds need to maximise their returns even while ensuring safety.

If there is a default or a delay in the returns from fixed income yielding securities, there can be major problems for the mutual fund. According to M.S. Verma, joint executive trustee of SBI Mutual Fund, even a small delay can cost a fund dear, for its strategy is to reinvest the interest accrued to get further returns. This, of course, is the principle of compounding. The mutual funds also need to keep in mind what the interest rates on these instruments are likely to be in the future.

It is partly to cover these risks and also to maximise growth that mutual funds invest the balance of 30 to 35 per cent of their funds into the equity market. The

yield here is more attractive. Even if a fund gets 60 per cent of its investment decisions right, says Dharampal of Canbank, it can earn a minimum 22 per cent return, mainly because of the boom in the Indian markets. According to Basu, given their knowledge of the market, the risk of bad investments by mutual funds is minimal; and the returns from equity should be significantly higher than the minimum cited.

Playing the markets

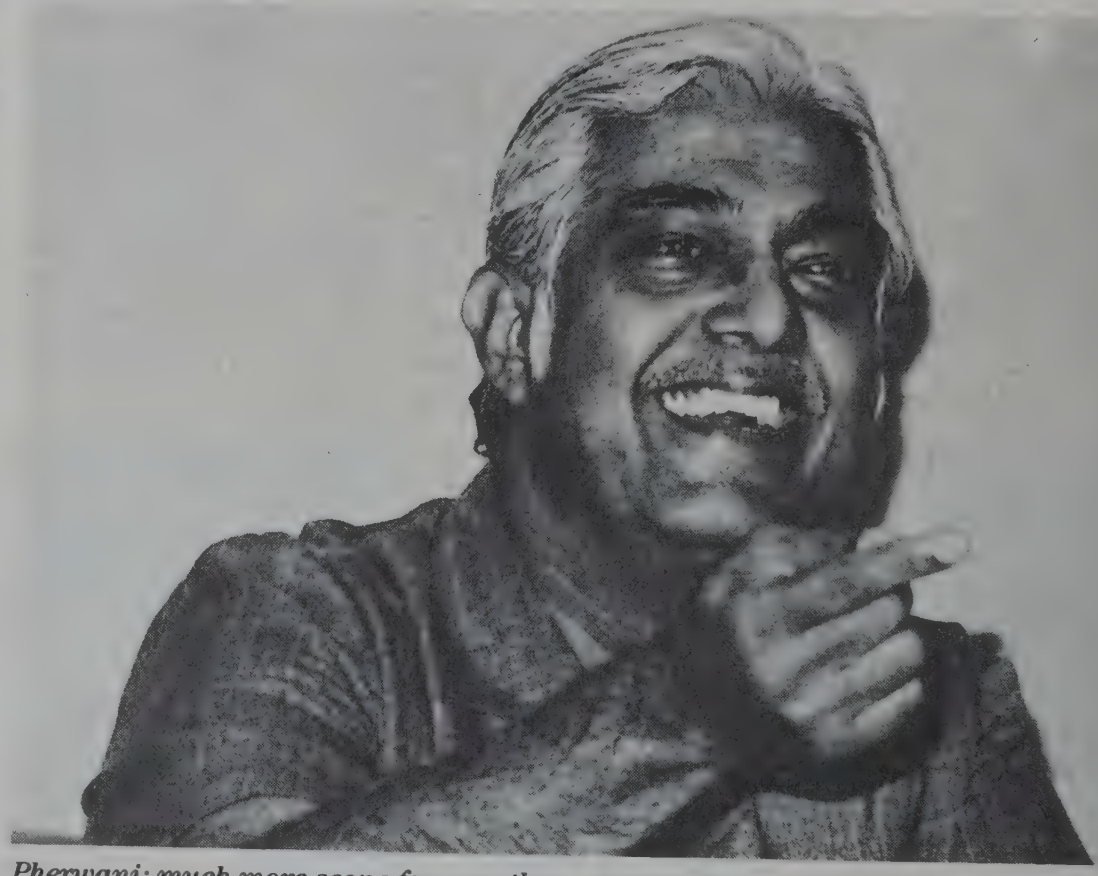
Again, mutual funds need to ensure that returns from investments continue for the entire period of the scheme. While 70 per cent of their funds earn fixed income, the 30 per cent invested in the equity market is never kept idle. Says Verma, "Most of the investment in the capital market is turned around." How many times it is turned over, though, depends on market demands. Once a scrip reaches its peak and is expected to remain there for a long time, explains Verma, it is offloaded. And against that sale, an upwardly mobile scrip is bought.

Clearly, the selection of scrips is crucial. To get high returns, only fundamentally sound scrips are selected — in both primary and secondary markets. However, if the market as a whole falls, the best stock picking techniques will not make money. Mutual funds are clearly betting that the market will continue to boom for years.

Mutual funds also have the advantage of acquiring blocks of shares during new public issues at par value, according to Vineet Kumar, chief executive of Modi Overseas Investments Ltd, and advisor to the Indian component of Jardine Fleming India Pacific Trust. While offshore funds can also pick up new issues at par value from the NRI quota, domestic mutual funds get the same advantage from their merchant banking sister firms. This goes some way to help net asset value (NAV) appreciation. Says M.J. Pherwani, ex-chairman of UTI and current chairman of Infrastructure Leasing and Financial Services Ltd, "The investor abroad is more interested in growth and capitalisation rather than dividends. And the growth is indicated notionally in the NAV."

Of course, offshore funds have their peculiar problems — the most significant being that of rupee depreciation and capital gains tax. To overcome this, offshore funds divert funds to other countries. Jardine Fleming, for instance, invests only 20 per cent of its funds in India and the rest is invested in Japan, Malaysia, Thailand and Indonesia, where currency does not depreciate as much and the countries are tax havens.

Mutual fund schemes have done exceedingly well, having garnered as much as Rs. 3,000 crore over the last two years and invested 30 per cent (Rs. 900 crore) in the capital market. A good performance is also expected in 1990 as in the past few months, the price to earnings (P/E) ratios of many scrips have shown improvements. Offshore funds too have shown enviable NAV (market value of the fund per share) appreciation.



Pherwani: much more scope for growth

However, the boom in the stockmarket cannot be fully attributed to the entry of mutual funds. As against market capitalisation of Rs. 70,000 crore, the amount that has come into the market from mutual funds is only about Rs.900 crore. Other factors like good monsoons, the government's inclination to continue liberalisation, and good corporate results have played a major role in boosting the market. But, says Basu, "the expectation in the markets that the money will certainly come to the market via mutual funds does contribute to its buoyancy". According to Basu, while an individual can choose whether to invest or not, mutual fund money has to be invested within a particular time frame so that it does not lose on income. This knowledge gives scope for speculation.

The real problem now, according to mutual funds managers, is that there are too many funds chasing too few scrips. The short supply of good paper for investr too drives the prices of those scrips Even the release of new issues has limited of late — in both number and — which has further added to the mu funds' investment problems. Dharampal, "An issue of Rs.3 or 5 c hardly offers any scope for market pl And so, the game is restricted to a few lected scrips, the result of which agai good appreciation in the P/E ratio these scrips.

Fortunately, compared to internatio markets, the Indian markets are still u derpriced, as is evident from the indust level P/E ratio, which was at 15.37 in mi August. The ratio in some developed ma kets can be as high as 50, as in Japan. course, there are greater risks in Ind with its smaller industrial base. Neverth less, says Pherwani, "If the market is buo ant, there is a virtual cycle of growth. Th entry of mutual funds will give the mark more liquidity and depth and make it le volatile."

But there is need for caution. Says Bas "Too rapid a growth could create cond tions which could lead to a crash." The mu tual funds also need to realise the obligation clearly when they assure a fixe return to investors, that if there is a loss t be made up, who will bear it, the trustee individually or the parent company of th mutual fund? Perhaps investors also nee to ask this question.

■ ALPANA KILLAWAL

WIPRO SYSTEMS

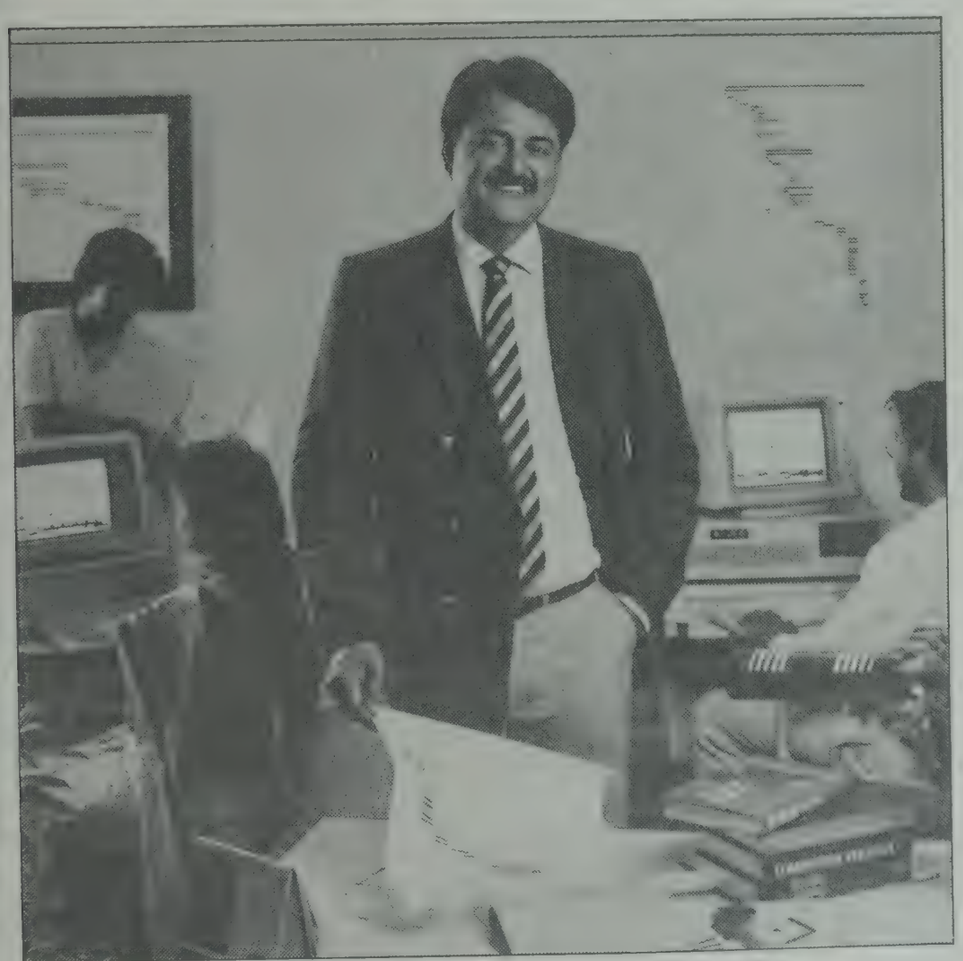
As long as you plan, track and present with InstaPlan II.

Juggling time, money and resources? The busier you are the harder it is to keep track. That's why managers across the world are opting for the planning package that gives them complete flexibility. InstaPlan II.

InstaPlan II – the accepted standard

In India, companies like ITC and ABB use it for product marketing and turnkey projects. Lipton and NGEF for expansion projects. Kirloskar Electric and Ingersoll Rand plan and monitor manufacturing and product development using InstaPlan II. Delhi Development Authority and Dalmia Resorts use it to manage their civil engineering and construction projects. The IIT, IIMs, ASCI-Hyderabad and the Institute of Management in Government, Trivandrum, has found it useful for educational purposes.

No budget burn-outs
No resource run-outs
No drop-dead dates



Planning the way you think

InstaPlan II lets you plan the way you usually do, with the added speed and power of the computer. With InstaPlan's top-down approach, you can organise, prioritize and categorize your tasks efficiently.

InstaPlan II gives you three broad planning options: Normal, Open-ended and Deadline. And once your outline is done, you can get the big picture with Activity, Gantt, PERT and three other views that control the way resources are used: Resource View, Resource Calendar View and Resource Loading View.

The Spreadsheet View integrates time and resources and indicates the cash flow for a particular period.

Focus is another facility that helps you view and review parts of a large project in isolation.

So you track the progress of your plan and spot time, money and resource conflicts before they turn into chaos.

Presenting for results

Once you're ready, you can present the status of your plan on screen or take print-outs in the form of charts or reports.

So don't just plan. InstaPlan.

InstaPlan II

Don't just plan. InstaPlan.

To
The Product Manager Wipro Systems Limited
40/1A Lavelle Road Bangalore 560 001

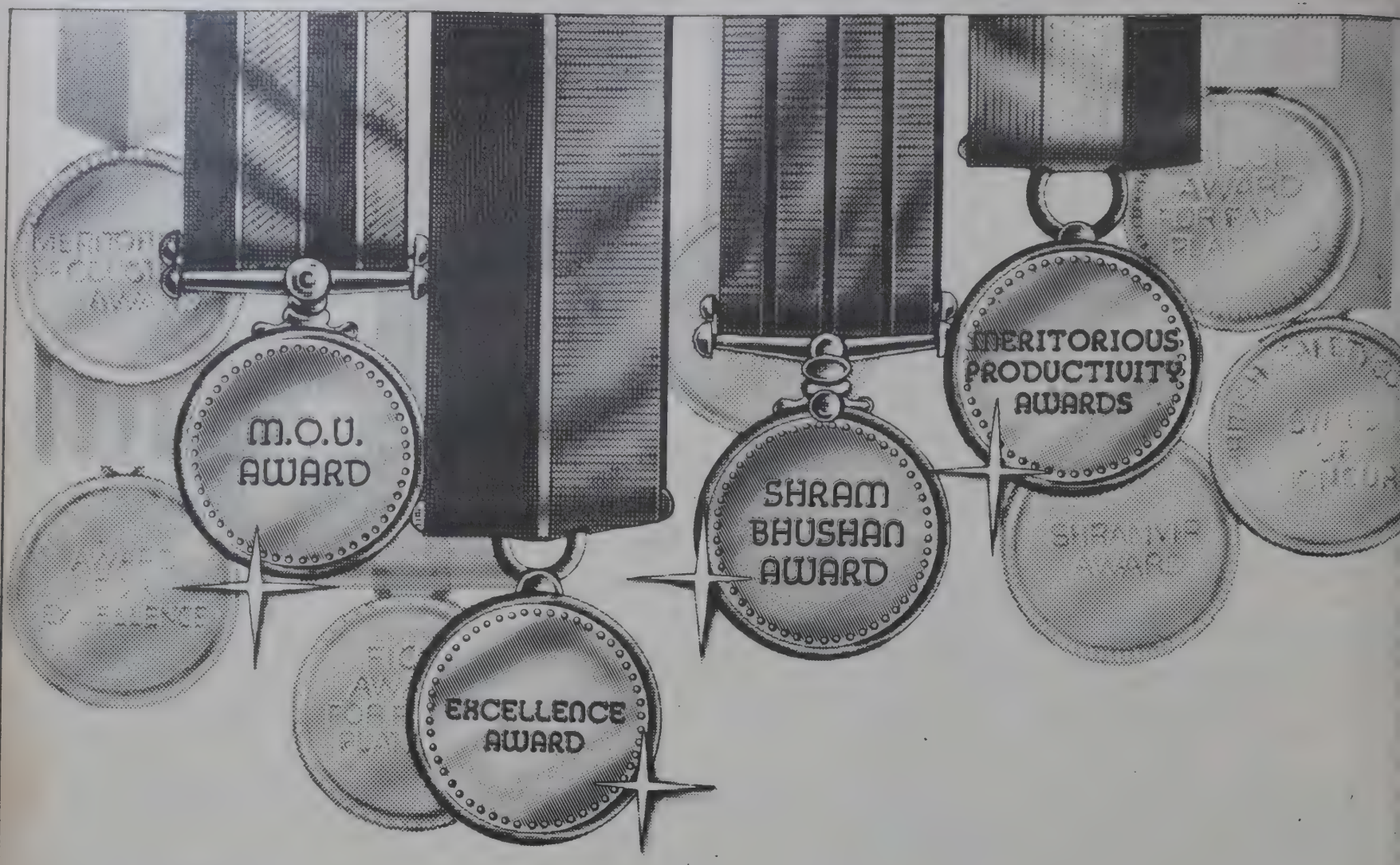
Enclosed is my Business Card

- ■ Send me your Trial Pack. Here is my cheque for Rs. 295 -
- ■ Have your Marketing Executive call on me.
- □ Send me more information

■ Critical □ Normal BI

WIPRO SYSTEMS LIMITED

Area Offices: ● Bangalore 210818 ● Bombay 6428244 ● Calcutta 291381 ● Coimbatore 45584 ● Jamshedpur 27213 ● Madras 456968 ● New Delhi 6423624 /6424126 ● Secunderabad 849717/847193



NTPC continues its Award winning spree

At NTPC, the winning spirit permeates every aspect of life. Be it overall performance, financial growth, productivity or innovative work culture.

Recently, NTPC has bagged a host of prestigious awards, once again based on its meritorious performance.

NTPC has won the 'Award for Excellence' for the year 1987-88 for its outstanding performance as a Public Sector enterprise. The award was presented to NTPC on August 11, 1990. This is the second time in three years that NTPC has bagged this award.

It has won another prestigious award for exceeding MOU targets in almost all areas — be it capacity addition, plant operation, setting up transmission lines or profitable performance during the year 1989-90.

The 'Meritorious Productivity Awards' have also been bagged by three NTPC units—Singrauli, Vindhyachal and Ramagundam for high power generation.

On Independence Day 1990, the Government declared the Prime Minister's *Shram Bhushan* Award for four NTPC employees of the Ramagundam Super Thermal Power Station. In fact, NTPC workers have won the *Shram* awards every year since inception.

All these accolades inspire the 21,000-strong NTPC employees to aim higher and strive harder to continue to excel in Power Management.

Excellence is a way of life at NTPC.

NTPC

नेशनल थर्मल पावर कारपोरेशन

National Thermal Power Corporation Ltd.

he adwagon accelerates

wheel has turned full circle. Instead of ter-laden, colourfully bedecked bull- carts promoting products in remote ages, there's a hi-tech version doing the nds. And the new concept, known as eo-on-wheels (VOW) has been hawking kinds of wares.

dopted by the BJP in the 1987 state embly elections, the new concept sold Tau in Haryana's lush countryside. As ordarshan overplayed Rajiv Gandhi, Dr Jain, a member of the BJP think-tank, d vans equipped with video- recorders he villages — a novel way to sell Devi . So effective was this medium that n Ajit Singh and NTR used it to pro- te their images in the far-flung villages heir respective constituencies.

This runaway success induced Jain to the concept to the corporate world. om political hype, Jain went on to sell nded products to the Rs.1,500 crore al market — which is evidently becom- a goldmine for market men. "We never agined this operation would get such a mendous response from both the vil- gers and the commercial world," ex- ims Sadhna Asthana, who heads the W project of Jain Studios. It fulfils a ed which even the all-embracing reach television failed to achieve. There is od reason for this: many rural con- mers do not own TV sets but are part of e target market for basic consumer ods like soap and washing-powder.

ow, more clients for VOW

otivated by VOW's success, competition already rearing its head in the form of deo Express, a division of the Dalmia- med Govan Advertising. Initially a cli- t of VOW, Govan Advertising has put to motion its own mobile wagon. Pres- tly it only promotes in-house products t by October this year Video Express ans to make this medium available to a st of eager clients.

Asthana, however, is not perturbed. W's clients include Procter and Gamble, T, ITC, Tata Tea, Kwality and Pepsi.

How does this new medium spread its essage? Speeding through the country- de is a standard video van equipped with 00-inch screen, and a compatible audio stem. "It is like taking a movie hall to the lage square," says K. Gopalkrishnan, neral manager, Population Services In- rnational, a voluntary organisation en- gaged in social marketing. A motorcycle generally precedes the van, announcing the agenda for the next day like the town criers of yore. Though the norm is a pre- determined route in a 26-day monthly cy- cle with two shows a day (after sunset), clients can also opt for more intensive cov- erage. They can book the vans exclusively and select the routes and software.

Of course, what attracts and holds the audience (not less than 2,500 in each vil- lage) is the tried and tested Bombay *mas- ala* which consists of *Chitrahaar* style song and dance sequences and spicy *Sholay* sort of dialogue. Spliced between them are the ad-spots. Jain's package combines entertainment and commercial programmes with education.

To communicate its message effectively VOW has even recorded programmes in the local dialect. The lack of any other form of entertainment attracts villagers who flock to these shows. Says Asthana, "Our clients are pleased with the res- ponse from the rural markets. Even the village *sarpanches* have reacted enthusiastically."

So have development agencies like UNICEF, the health ministry and other or- ganisations. UNICEF has rented 25 vans to promote its immunisation programmes across the countryside. Population Ser- vices has also used this medium exten- sively to market its brand of condoms. Gopalkrishnan considers this a cost-effec- tive medium. The price — Rs.3,000 for a 10-second spot — is a fraction of that charged by Doordarshan.

Media planners too are clearly impres- sed. Says D.K. Bose, media director, Hin- dustan Thompson Associates, New Delhi, "The medium has a high impact. The crowd it attracted was far more than I ex- pected. We are therefore using the services of VOW for social and development mar- keting". But Rajesh Pant, media director, Lintas, is not enamoured. He agrees that it is a good concept but questions its cost- effectiveness, especially in relation to the advantages offered by television, "For companies like Hindustan Lever and Ponds, which already have a rural mar- keting infrastructure, VOW is fairly expen- sive." According to him VOW may have the capacity to advertise products in remote villages but how many people, he asks, are ready to buy there? Besides, he adds, the advertiser should also have a good distri- bution network to service these areas.



A video advertising wagon: high impact, but is it cost-effective?

The popularity of the medium has many corporate giants vying with each other. Sanjeev Chadha, general manager (mar- keting) of Pepsi, considers this a novel me- dium, capable of creating a greater impact than television or cinema. Says Chadha: "Among its many advantages, I would sin- gle out the fact that it permits greater in- teraction with consumers." This is also the reason why an increasing number of cli- ents and agencies are wasting no time in hopping on to the VOW wagon.

■ REENA PATNAIK RAO

SERVICE CHARGES

Catching up with costs

In June, banks increased their charges for selected services once again. Ledger folio charges applicable to current account holders were increased by 25 per cent; for issuing demand drafts again by 25 per cent and for processing borrowers' loan applications by 50 per cent *(see table)*.

R. Srinivasan, chairman, Indian Banks' Association and CMD, Bank of India, spells out why the hike was necessary. "Considering the increase in cost of services during the past five years and the additional burden on banks due to wage revisions for employees, it has become necessary for public sector banks to raise service charges." The increase, according to Srinivasan, will not affect the small man, but will be felt mostly by the corporate sector.

The revision, effective from 1 July, is the second since 1985. On both occasions banks explained the revisions as provoked by increasing pressures on their profitability. Says A.K. Bagga, deputy chief officer, State Bank of India, "Service charges were not revised for decades together and banks had realised that in rendering many services they were not even covering costs."

Initial attempts

This realisation — that banks were losing on services provided to customers — was first articulated way back in 1968, when they first talked about "revising and rationalising" service charges through the channel of the Indian Banks' Association.

This first attempt to revise charges was stalled by the Reserve Bank of India which said that banks could not effect changes in interest rates or service charges without its prior permission. The next attempt at revision came in 1980, again through the IBA, which submitted a detailed report on the subject to the RBI. RBI agreed with the major recommendations after six months. By 1982 when the IBA announced "uniform and rationalised" service charges, it realised, to its dismay, that, if it insisted on banks implementing them uniformly, it would attract penal action under the Monopolies and Restrictive Trade Practices Act.

By 1984, though, the need for a revision seemed to take on an urgency with even the banks which were earlier dithering falling in. However, each bank waited for the other to test the waters. Finally, in 1985, State Bank of India, the big brother among public sector banks took the plunge, introducing its own schedule of new charges. And this released the floodgates, so to say. All banks decided to follow the SBI schedule, which came into force in June 1985.

However, to protect themselves against public criticism, the banks kept the facade of a high power committee — comprising chairmen of public sector banks — which could "review, revise and clarify" the revision of charges. To ward off the MRTP, the committee appears to be independent of the IBA, though the latter extends it all the secretarial support it requires.

The need for caution is evident. Banks are not supposed to earn their profits from these services — in banking parlance known as 'ancillary services'. Of course, being commercial organisations, they may recover the costs they incur on these services.

Schedule of bank service charges *(selected items)*

Service	Fee before July 1990	Fee after July 1990	% hike
Loan processing	Loan above Rs. 2 lakh: Rs.50 per lakh or part thereof. Maximum Rs.5,000.	Loan above Rs.2 lakh: Rs.75 per lakh. Maximum Rs.7,500	50
Drafts/MTs/TTs	Rs.1,000 to Rs.5,000: Rs.10 Rs.5,000 to Rs.10,000: Rs.20 More than Rs.10,000: Rs.2 per Rs.1,000. Maximum Rs.1,000 plus out-of-pocket expenses	Rs.1,000 to Rs.2,500: Rs.10 Rs.2,500 to Rs.5,000: Rs.12 Rs.5,000 to Rs.10,000: Rs.25 More than Rs.10,000: Rs.2.50 per Rs.1,000. Maximum Rs.1,500	25
Bills for Collection	Rs.1,000 to Rs.3,000: Rs.10 Rs.3,000 to Rs.5,000: Rs.15 Rs.5,000 to Rs.10,000: Rs.30 More than Rs.10,000: Rs.4 per Rs.1,000. Maximum Rs.1,000 plus out-of-pocket expenses	Rs.1,000 to Rs.2,500: Rs.10 Rs.2,500 to Rs.5,000: Rs.12 Rs.5,000 to Rs.10,000: Rs.40 More than Rs.10,000: Rs.5 per Rs.1,000. Maximum Rs.1,500	33

The fact that costs have risen can denied. For instance, manpower cos major cost inputs in any bank s have gone up 100 per cent betwee and 1989. Other costs like statione printing charges, postal and comm tion charges and establishment jumped up on an average by 70 pe between 1985 and 1989.

The issue of demand drafts for ins —the most frequently used service— banks about Rs.13 prior to 1985, t they levied a minimum charge of o paise on the customer. The cost ha gone up to Rs. 20 but the banks' min charge is only Rs.2.

Float fund

Customers however, do not grudge ing the enhanced charges. But they paying for what they call "inefficienc lustrating, a finance manager in a ce company says, "A bank takes betwee and 15 days to credit a demand draft i customer's account. Till then, obviou enjoys a free float fund. Instead of gi interest to the customer, the bank cla service charge for issuing the draft!"

Says Bagga, "Issuing and collecti demand draft are two different ser and the float fund arising out of the tr action is only incidental." Accordin bankers, what customers perhaps do realise is that, just as they pay for product they pick up at a shop, they n also pay for bank services.

Customers also crib about the quali service they get from banks. Vijay Kala president of the All India Associatio Industries, says banks do not make i cumbent on their employees to impr service to customers. This, he thinks is forgivable, as banks are a 'high w island'. In defence, a senior official large nationalised bank, says banks d function in isolation. When costs in the tire economy are increasing, bank ployees too have to be compensated, inflation for instance.

All in all, though, it must be granted banks that the hike in their charges is j tified. The grouse of customers that t do not get value for money also cannot dismissed. It might do the banking ind try a world of good if they turned to anc ary services to hike their profits, as ban the world over are doing. If, in the attem they also improve the speed and quality their service — and also make it cost effe tive — there shouldn't be too ma complaints. ■

ALPANA KILLAWA



A SAFARI INTO SPLENDOUR

God's own country

**101 tuskers thunder. Native drums throb.
And the Great Elephant March begins.**

A spectacular elephant safari through Kerala. Amidst sizzling snakeboat races, restless rice fields and sensuous dancers. For four festive days. January 16—21, 1991.

For a free brochure write to Govt. of India Tourism Offices or KTDC's Reception Centres or mail this coupon to Kerala Tourism.

THE GREAT ELEPHANT MARCH
JANUARY 16-21 1991
KERALA

Please send me a free brochure on The Great Elephant March 1991

Name

Address

City

State

Telephone

kerala

Kerala Tourism, Park View, Thiruvananthapuram 695 033, Kerala, India. Phone: 0471-61132 Telex: 0435-336 KTDC IN

THE GREAT ELEPHANT MARCH 1991 **Special Tour Packages:** 1. Deluxe Package for US $ 1000 covering all festival days. 2. Festival Package for US $ 250 with selective coverage of programmes

Jan 16 KOCHI (formerly Cochin).Ceremonial welcome **Jan 17 THRISSUR** (formerly, Trichur).Gaja Pooja, ceremonial assembly of 101 caparisoned tuskers, ceremonial feeding of elephants by participants, elephant rides through quaint green village **Jan 18 KOCHI** Sightseeing in and around the city. The charmingly rustic Jewtown, 400 years old Jewish Synagogue, Dutch Palace, Vasco da Gama's tomb at the St Francis Church and more. A backwater cruise in the evening ending with a sail the sunset. An optional trip to the Munnar tea plantations for a nominal extra fee. **Jan 19 ALAPPUZHA** (formerly, Alleppey). 15 Chundans (warcraft of the old Kerala Kings) race for you in the Punnamada Lake. Visitors can have a cruise in one of Chundans, if they please. An optional eight hour backwater cruise to Kollam (formerly, Quilon). With prior intimation you can choose to land midway. **Jan 20 THIRUVANANTHAPURAM** (formerly, Trivandrum). Spend the day at Kovalam Beach, be the closing festivities at Thiruvananthapuram. Alternatively you may join an optional tour to Kanyakumari. Short elephant rides along Kovalam Beach. 60 caparisoned elephants re-enact the spectacular Thrissur Pooram Festival, tug-of-war between participants and tuskers, Kerala martial arts display, glorious cultural performances, seaside barbecues, dances through the night. **Jan 21** Departure from Thiruvananthapuram.

Mudra:C:DOT:2

ACC



FROM CEMENT...

ARB/RCD/001

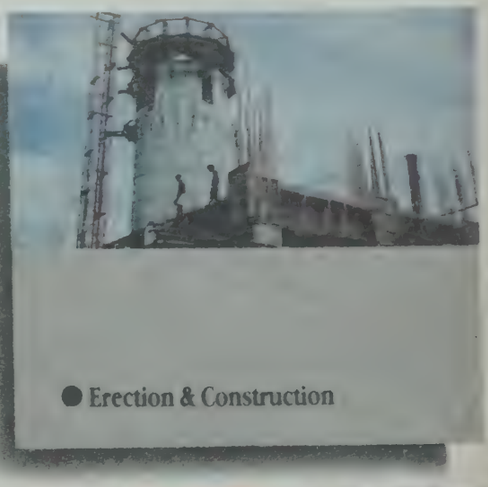
...TO PROJECT CONSULTANCY.



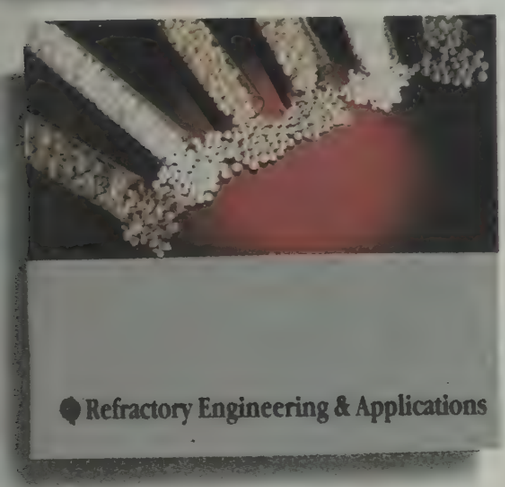
● Geology, Environment & Mining



● Process Engineering & Productivity



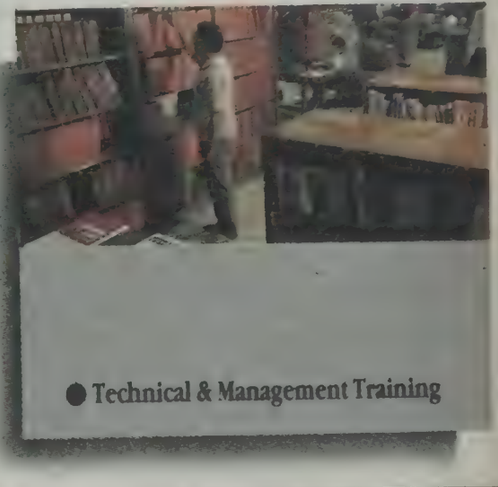
● Erection & Construction



● Refractory Engineering & Applications



● Research & Development



● Technical & Management Training

It may seem like a great leap forward – into unfamiliar grounds. But it isn't. Because for over 25 years we've been doing just this. The Research and Consultancy Directorate (RCD), a division of The Associated Cement Companies Limited, has helped numerous industries get off the ground. From project conceptualization. Siting. Construction. Commissioning. Management. And beyond...we have provided our expertise.

RCD entered engineering and technical consultancy quietly, listening to customers. What we heard was everybody's there at the beginning – but nobody stays to see the bottom line grow. That made us feel we have something to offer because we understand how important the bottom line is to you.

Yes! That's true. At just one place you can now access the resources required to achieve this.

We cater to the cement, refractory, ceramic, chemical, mineral processing, petrochemical, fertilizer, ferrous and non-ferrous industries among others.

The RCD has, over the years, achieved many triumphs.

The World Bank acknowledges our services as Raw Material investigator. The Industrial Development Bank of India, our energy audits for its energy audit subsidy scheme and equipment finance for energy conservation schemes.

We have developed novel processes and products for many industries a number of which have been acknowledged internationally as state-of-the-art technological advances. The RCD is also a member of the International Research Consortium of The Pennsylvania State University, U.S.A.

We are approved vendors of the American Petroleum Institute for Oil Well Cement.

We have a lot to offer you. If you're planning to modify or extend an old plant. Or get more out of what you have. Or starting a new venture. Or even just thinking of one. CONTACT The Chief Executive, Research and Consultancy Directorate, CRS Complex, L.B. Shastri Marg, Thane, 400 604 Maharashtra. Tel 593631,593634. Telex 11-72190 CRS IN. Fax (022)-508962 Cable: ACCRESERCH

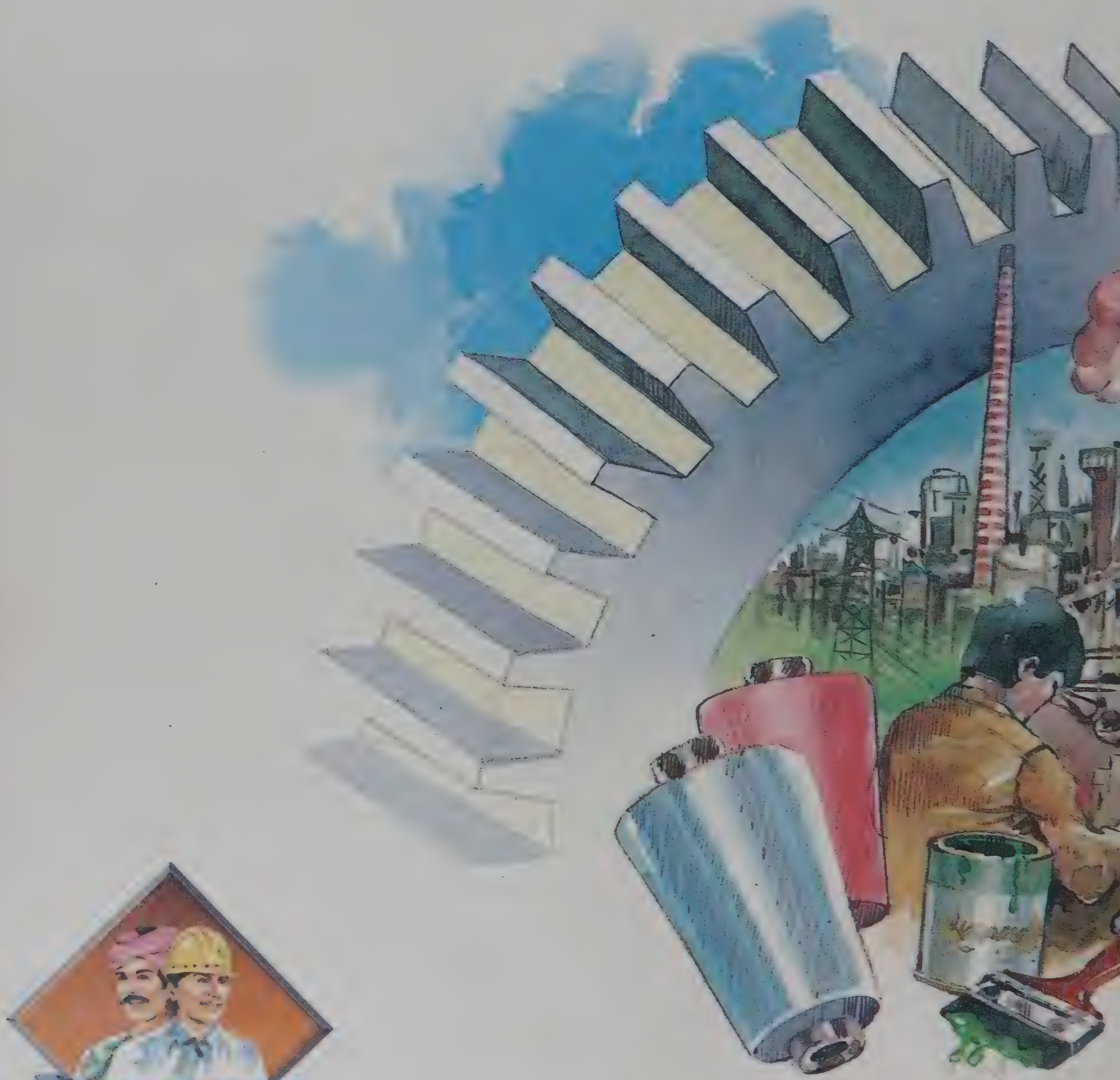
We'll be there right from the beginning to the end and beyond, always looking to ways of improving your bottom line.

RCD

Research and Consultancy Directorate

Born a leader – always ahead

R & D.
For us it's a passion that has heightened our contribution to industry.



For over forty years, The Andhra Sugars has believed in a corporate dictum. That of a desire to excel. Which is why R & D remains a top priority. The constant development and upgradation of technology is of paramount importance at The Andhra Sugars.

From a modest enterprise that began with a sugar factory, The Andhra Sugars is today, a strong corporate entity that has thrived on innovation and diversification. A pioneer in the indigenous development of the technology for the production of Aspirin, The Andhra Sugars also has the distinction of being chosen to develop vital inputs for the Indian space programme.

The Andhra Sugars also manufactures a range of chemicals at their industrial complexes. Chemicals such as acetic acid, acetic anhydride, ethyl acetate, sulphuric acid, caustic soda, caustic potash, chlorine, hydrochloric acid, chlorosulphonic acid, alum... that find wide application in thermal power, rayon, aluminium, refineries, pharmaceuticals and in almost every core industry. The Andhra Sugars is one of the architects of The A.P. Gas Corporation Ltd., generating power from natural gas to overcome the perennial power shortage experienced by industries.

In over four decades, our emphasis on research and development spurred on by the desire to excel, has got us where we are today. A multi-crore conglomerate soon to diversify into soaps, oils and petrochemicals. Looking towards the future with a renewed sense of commitment to industry. And progress.



THE ANDHRA SUGARS LTD. TANUKU

THE ANDHRA SUGARS LTD.

Venkatarayapuram
Tanuku (West Godavari Dist.) Andhra Pradesh

CREDIT CARDS
FOR THOSE WHO
DON'T OWN A
ROLLS ROYCE,
MERCEDES OR
A MOPED

AND ALSO FOR THOSE WHO DO

Gone are those days when credit cards were only for chief executives and managing directors. Today, almost anyone can own one. At MasterCard, we're making sure of that. In association with leading banks in India and other







member organisations (cards featured here). They cost less than you expect. And contrary to popular belief they're not only for travel and entertainment. You can use them for shopping as well. Without paying an extra paisa. It's







the most widely accepted credit card. Welcomed by over 15,000 merchant establishments in India. So get smart about MasterCard. Contact any of the banks whose cards are shown here. They will be glad to meet you.



MasterCard

BANK IN YOUR POCKET

ADVERTISING SPONSORED BY MASTERCARD MEMBER BANKS IN INDIA: ANDHRA BANK, BANK OF AMERICA, BANK OF INDIA, CENTRAL BANK OF INDIA, CITIBANK N.A., HONGKONGBANK, UNITED BANK OF INDIA, VIJAYA BANK, THE VYSYA BANK LTD. AND MASTERCARD INTERNATIONAL INC.

LINTAS.RC.DEL.MAS.3A 2740

There will never be a fabric like Denim. There will never be a day when it's not in fashion.



* Fashions come and go but like diamonds denim is forever.
* Modern Suitings is now setting up a new 100% EOU Project to manufacture 7.2 million metres of quality denim for export to the world's finest fashion designers.
* Modern Suiting is all set to ride the crest of a great blue wave.

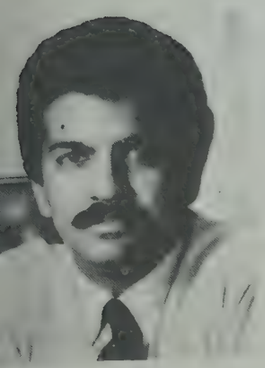


Sobhagya/172/90

Modern
Suitings Limited
Regd. Office : D-22, Moti Dungari Road,
Jaipur-302 004.

Be a part of the Modern Blue Wave.

Let's build a 'pride-way'



ANAND G. MAHINDRA

A few weeks ago, during a regular run from Bombay to Khopoli, we ran into one of those common logjams that bedevil the country's principal highway. Our driver manoeuvred the car towards the scene of an accident. We watched as the police and a posse of bystanders trundled the marionette-like bodies of three company salesmen into rescue vehicles. Sensing our stock, our driver — a professional who plied his private taxi along this route — thought he would console us by saying breezily, "Cheer up. This is nothing. I see two or three like this every time."

It was not immediately clear which was more appalling; the grisly accident itself or the sensory immunity that the driver displayed. He was hardly to blame, though, for insensitivity is standard survival equipment for anyone who frequently navigates the Bombay-Pune highway.

After the rains, the route becomes more treacherous with crater-sized potholes turning it into a simulated Esselworld ride. But this is probably the condition of the majority of our roads, especially after a monsoon. Could any purpose be served in spotlighting the state of this particular stretch?

Staggering statistics

First, the statistics. Over 5,000 goods vehicles enter Bombay, and a similar number leave the city every day. Most use some portion of the Bombay-Pune highway and therefore this artery sees a volume of goods traffic in excess of 40,000 tonnes per day. Theoretically, a two-lane stretch can cope at best with 10,000 passenger car units (PCUs) daily. Yet the Kalamboli-Khopoli sector, for example, is estimated to handle over 32,000 PCUs. And the notorious Panvel junction alone deals with 40,000 PCUs daily! With poor roads nationwide, fuel wastage amounts to Rs.1,500 crore and the cost of increased vehicle maintenance, Rs.992 crore. It is reasonable to assume that a sizeable chunk of these extraneous costs are incurred on the Bombay-Pune road with its high-density traffic.

By connecting Bombay and Pune and the industrial clusters that lie in between, this highway functions as the country's most vital pipeline of commerce. Despite this, the continued apathy over its precarious condition boggles the mind. In the midst of mushrooming national crises, it is necessary to focus attention on this relatively short stretch of tar and gravel. Because the danger is that the longer it is neglected, the more likely it is that it will become a symbol of our bankruptcy — not fiscal, but a bankruptcy of practicality, of energy and of the will to grow and prosper.

With every day that action is delayed, this highway moves closer towards becoming a shrine to our ineptitude and backwardness.

Dominant impression

Despite Agni and Aryabhata, C-Dot and C-DAC, the dominant impression carried home by bemused foreign visitors to our industrial heartland is of an economy that does not see the logic in lubricating the main channel of transport in the country's commercial nerve centre. Even fresh-faced commerce students know that infrastructure expansion moves parallel with, if not precedes, industrial expansion. A superhighway would provide the logic for increasing the output of vital materials such as concrete and steel and generate jobs for thousands during its construction. Yet the debates drone on *ad nauseam*. To repair or build anew, to bypass or not to bypass, four lane or six lane, to privatise or joint sectorise.

The point that gets obscured in this seemingly interminable cost-benefit analysis is that building a modern expressway is not just about infrastructural investment — it's about symbolism and pride. Large, pioneering infrastructural projects are symbols of a nation's technological maturity and strength, and more important, of its ability to put its collective shoulder to the wheel to force the pace of progress. Witness the Golden Gate bridge and the Grand Coulee dam in the US, the Sydney Opera House, the Olympic structures in Seoul and our own Bhakra dam. Particularly in developing nations, giant civil projects hold significant emotive value and are seen as milestones in the journey to the front rank of nations.

This argument is best illustrated by the Calcutta Metro. Despite being labelled an economic disaster by municipal number-crunchers, the system has spawned numerous "external" economies, and has miraculously induced a veritable transformation in the culture of the local citizenry. Not normally civic minded, Calcutta commuters today display unprecedented pride in their new subway and help preserve its cleanliness with almost religious zeal.

It is not absurd, therefore, to assume that a spanking new expressway between Bombay and Pune would engender a similar pride and provide a tremendous impetus to economic investment in the state. In fact, it is difficult to understand why no political party has recognised the substantial political capital that would accrue from initiating government sponsored construction of such an expressway. Perhaps, when it is realised that we are building a "pride-way" and not just an expressway, will the task be approached with the singlemindedness it deserves. We may then get eight lanes, not just four.

he author is deputy anaging director and resident of Mahindra 'gine Steel Co Ltd, ombay

ICFAI's New Course

Finance for Non-Financial Executives

ICFAI

The Institute of Chartered Financial Analysts of India has over 13,000 candidates on its rolls for the CFA Programme, which is being offered in collaboration with The Institute of Chartered Financial Analysts, USA. Encouraged by this phenomenal success, the Institute launched a new course: The DBF Programme meant for non-financial executives.

The DBF Programme

The DBF Programme (Diploma in Basic Finance) is designed to help Business Executives get a good insight into Finance through structured self-study at home. The Programme covers the essentials of finance through a mix of four core and two elective modules.

Programme Coverage

Core Modules

- Financial Statement Analysis
- Management Accounting & Control
- Working Capital Management
- Project Finance & Appraisal

Elective Modules (any two)

- Marketing Finance
- Production Finance
- Project Management
- Financial Services
- Personal Finance & Investments
- Management Control & Reporting System
- Financial Management in Public Enterprises

Study Material

The study material includes a detailed study plan, easy-to-follow lessons, reference books, self evaluation assignments and exercises. The study material has been carefully developed with the assistance of well-known academicians and professionals for use by non-financial executives.

Duration

Individual candidates can set their own pace of study. Each module can be typically completed in 3-4 weeks. The course can be completed in 6-8 months.

Eligibility

Executives, students, self-employed persons, entrepreneurs, bank and insurance executives, government officers, defence personnel, teachers and others without a formal professional/academic qualification in finance. **The Institute welcomes sponsorship of candidates from employers.**

Diploma

The diploma will be awarded to all candidates declared successful at the examinations to be conducted twice a year, in January and July at 25 centres all over India.

Corporate Sponsors

Over 1,000 candidates have already joined The DBF Programme. Reputed organisations such as Voltas, ITC, Berger Paints, India Cements, Abbott Laboratories, Hindustan Ciba-Geigy, Mather & Platt, Asian Hotels, Madura Coats, HCL, CMC etc., have sponsored their executives.

Prospectus

For Prospectus and Application form, please write to the Administrative Officer (DBF), giving your complete postal address with pincode, enclosing a demand draft for Rs. 50, drawn in favour of the DBF Programme A/c, ICFAI, payable at Hyderabad.

THE INSTITUTE OF CHARTERED FINANCIAL ANALYSTS OF INDIA

THE INSTITUTE OF CHARTERED FINANCIAL ANALYSTS OF INDIA
cfa
WISDOM WITH KNOWLEDGE

Road No.3, Banjara Hills,
Hyderabad - 500 034.
Tel : 229062, 229286.
Telex : 0425-6065 CFA IN Grams : ICFAI
Fax : 0091-(842)-229107

SUKHAMOY CHAKRAVARTY
(1934-1990)

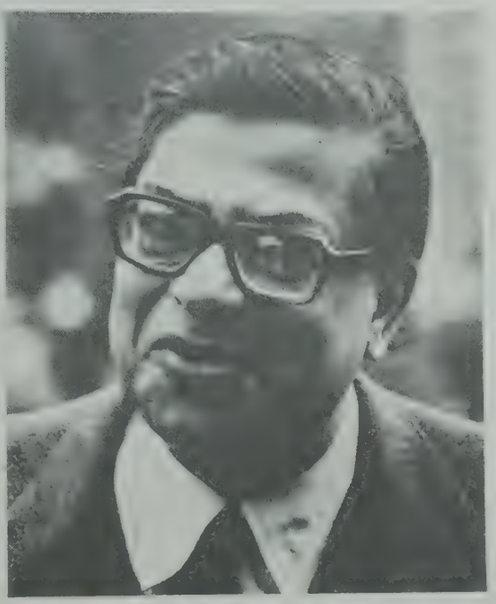
Kirit Parikh, *director of the Indira Gandhi Institute of Development Research, pays tribute to his friend* **Sukhamoy Chakravarty**, *the eminent economist and planner, who died last fortnight*

Sukhamoy Chakravarty had been such a major force of influence in Indian economic thinking and policy for so long that few would realise he was only 56 years old when he passed away on 22 August. His death is an irreplaceable loss for the country in general, which has lost an illustrious son, and for the poor in particular, who have lost a defender of their interests among economic policy makers. His fellow economists have lost a touchstone for their ideas, while the intellectual community at large has lost a member whose interest and deep knowledge knew no disciplinary boundary. Sukhamoy Chakravarty was all of this and much more.

His distinguished academic career included the Tinbergen professorship at the Erasmus University in Amsterdam, and the Jawaharlal Nehru visiting professorship at Harvard University, and other chairs at the Massachussetts Institute of Technology (MIT) and Johns Hopkins University. He was a Fellow of the Econometric Society and Honorary President of the International Economic Association.

As professor of Economics at the Delhi School of Economics (DSE), Chakravarty made a signal contribution to teaching methods for the subject in India. He had continued to teach at the school even during his tenure in government. Today, it won't be excessive to attribute much of DSE's high standards to him.

Chakravarty left his mark on Indian economic policy making as a member of the Planning Commission, a post he held between 1971 and 1977. He was later chairman, at various times, of the Council of Economic Advisors to the prime minister, the Fuel Policy Committee, the Committee to Review the Monetary System in India, and the Indian Council of Social Science Research.



I have had the good fortune of working with professor Chakravarty on many occasions over the past three decades. In the early sixties, we worked together at MIT on the development of multi-sectoral intertemporal planning models which evolved as the CELP (Chakravarty, Eckaus, Lefeber and Parikh) model. Later I also served as a member of both the Fuel Policy Committee and PM's Economic Advisory Council during his chairmanships. Chakravarty was also a member of the governing council of the Indira Gandhi Institute of Development Research, and helped us in selecting its faculty members.

Over these years, my admiration for this man of deep commitment and firm views kept growing. I always found him receptive to contrary views and arguments. Though he would try to win people to his point of view, Chakravarty was willing to modify his stand if evidence proved him wrong. His interest in scientific and technological developments ranged from superconductivity and bio-technology to pattern recognition.

Driven by an insatiable thirst for knowledge, Chakravarty was an eternal seeker of truth, a sage, a *Maharishi* in the true meaning of the term. One always found on his table new books on a variety of subjects, all of which, amazingly, he found time to read, despite his many commitments.

Beginning with his book, *The Logic of Investment Planning*, professor Chakravarty's early work during the sixties on development planning was highly theoretical. Thus, when he accepted a membership in the Planning Commission in 1971, many were surprised. During a conversation I had with him at the time, he wondered whether he had done the right thing or not. I told him that having developed the models and methods for development planning, it would have been somewhat dishonest not to take the opportunity to bring his insights to bear on the formulation of economic plans in India. That he did this well can be seen in the Fifth Five Year Plan, of which he was a major architect.

The Plan reflected Chakravarty's philosophy on development planning and his deep concern for distributional justice and the welfare of the poor. The central strategy of the Plan was redistribution with growth and self-reliance. It sought to eliminate net aid and to raise average per capita consumption levels. The targets placed an emphasis on the food and fuel sectors and signified a break from earlier plans, which had emphasised heavy industries. Though these ambitious targets were not realised, the change in emphasis drew attention to the need for rural employment programmes.

In his 1987 book *Development Planning: The Indian Experience*, Professor Chakravarty wrote: "The most significant redistributive measures will centre around improving the productivity of small and medium farmers..."

And today, if most political parties in the country share this belief, therein lies the importance of Sukhamoy Chakravarty. He, above all other economists, has played an important role in bringing about a consensus on economic policy in the country. He was able to mediate between the radicals of both the right and the left, for he was respected by all. Policy reforms, once Sukhamoy Chakravarty approved them, seemed less dangerous to those who opposed them. His passing away will disrupt this process of evolution of policy reforms.

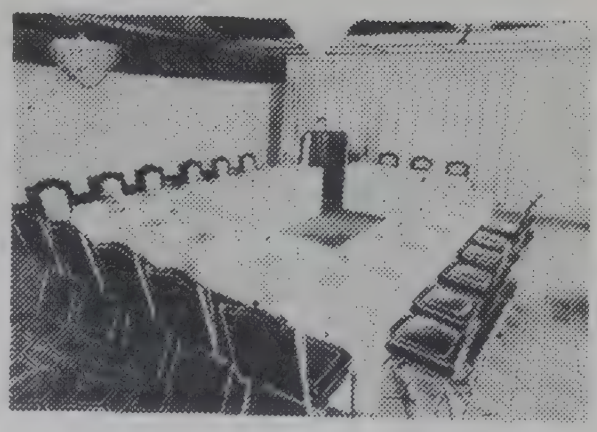
Business is a pleasure at Arif Castles, Nainital



Nestling in the lap of the awe-inspiring Himalayas, crowned by a shimmering lake. That's Nainital—"The Queen of Kumaon Hills".

Hotel Arif Castles offers an ideal setting for your business convention—the right atmosphere and well-equipped Conference Hall with modern facilities to accommodate upto 100 delegates. The Hotel offers luxurious centrally-heated rooms, with CC TV, Piped Music, 24-hours room service & Coffee Shop and a host of services of international standards.

The Roof Top Bar offers the world's finest spirits to help you relax. Or dance at Star Discotheque. For sports lovers—Table Tennis, Billiards and Video Games, at the Sports Club.



Arif Castles offers a well-equipped Health Club with Gymnasium, Sauna & Steam Bath, Whirl Pool, Beauty Parlour, Barber Shop, Shopping Arcade, Accommodation for personal staff, Complimentary down-town transport, Foreign Exchange & Banking facilities.

Combine business & pleasure by holding your conferences at Hotel Arif Castles, Nainital.

The Hotel is offering attractive Conference Packages till 31-3-91.

HOTEL
Arif Castles
Nainital's Finest Forever.

Mallital, Nainital-263 001 (INDIA) Grams : CASTLES Phones : (05942) 2801-03 Tlx : 0570-3201 ARIF-IN
For Reservations : Contact Hotel directly or Phone : Bombay-8117000, Calcutta-284906/285307
Ahmedabad-403564/414861. New Delhi-3323628 Lucknow-242179/249756

ECTRONIC MAIL

eading the field

alesman of VeriFone Inc., a U.S. com-ıy which manufactures and markets ctronic transaction equipment, had a ıgh problem in Columbia, South Amer-. A customer already had a very attrac-e offer from another company but ked the salesman on a Friday evening if riFone could meet or better the offer. ınday morning the salesman presented ɔroposal which was so comprehensive d contained such insight into the cus-ner's business that he was completely bbergasted. The salesman landed the der.

The salesman's secret weapon was Veri-ne's electronic mail (E-mail) system ich links all its offices in 40 countries. had put out a request for help from any ıer salesman with experience of a simi-situation. He got over 20 responses and vealth of information.

VeriFone's immediate access to infor-ation and its ability to capitalise on op-rtunities have enabled it to grow at a ıstering pace. Between 1984 and 1989 les increased at a compound rate of 104 r cent and the company was selected by e *Wall Street Journal* as one of 56 'Cor-ɔrate Stars of the Future' in its centen-al edition in June 1989. With sales of 23.5 million in 1989 it was rather tiny mpared to giants like IBM and Citicorp. hat led to its selection is its expertise in ıtomating retail operations.

he fourth wave

ɔw VeriFone is establishing a design and evelopment centre in Bangalore. Hatim abji, president and chief executive offi-r of the corporation, calls the develop-ent of electronic transaction equipment e fourth wave in the evolution of the ɔmputer industry. First came main-ames, followed by minis, then the ubiqui-us personal computer and finally ansaction automation systems, which e used by people who aren't even aware at they are using computers.

The transaction automation systems' ɔssible applications are almost limitless ıd depend on a combination of comput-g power and telecommunications. They e used by merchants to validate checks credit cards, for transferring funds ectronically or to transfer welfare bene-s. They can also be used to control access buildings, for collecting and forwarding les data, and tracking and managing inventory.

Though such applications seem a bit distant in the Indian context, Ashok Narasimhan, vice president, market and product development, feels the company's products can be used effectively for inventory management. Narasimhan was earlier president, Wipro Systems Ltd. VeriFone's products are also being tested by some credit card issuers in the country.



Tyabji calls the development of electronic transaction equipment the fourth wave in the evolution of the computer industry

At the moment the company's major interest in India is in what Tyabji quaintly calls its "IQ books" — its educated manpower.

Its facility in Bangalore will provide software for the company's product range worldwide and total investment in the project is approximately Rs.1 crore. It will undertake total design of "breakthrough products"— from conception to the finished product. Manufacture, however, will not be done in India.

VeriFone's desire not to limit India to merely a source of cheap labour is because it sees itself as a "global company" rather than a multinational. Though the company's head office is nominally in California, it doesn't see itself having a headquarters in the traditional sense of the word.

Work at home too

Most companies have huge bureaucracies at their head offices. Even if they have electronic mail, it is rarely in everyday use. VeriFone, in contrast, has utilised it to the optimum. Every employee has his own computer at the office and is also encouraged to have one at home. All communication is through the company's E-mail network. Salesmen and executives use portable computers and communicate through modems when they are travelling. What this does is speed up decisions. Tyabji gives the example of the doubling of the capacity in its manufacturing plant in Kaohsiung in Taiwan. Senior managers worldwide spent a week formulating a plan. Then four directors in different parts of the world, spent one working day approving the capital appropriations plan.

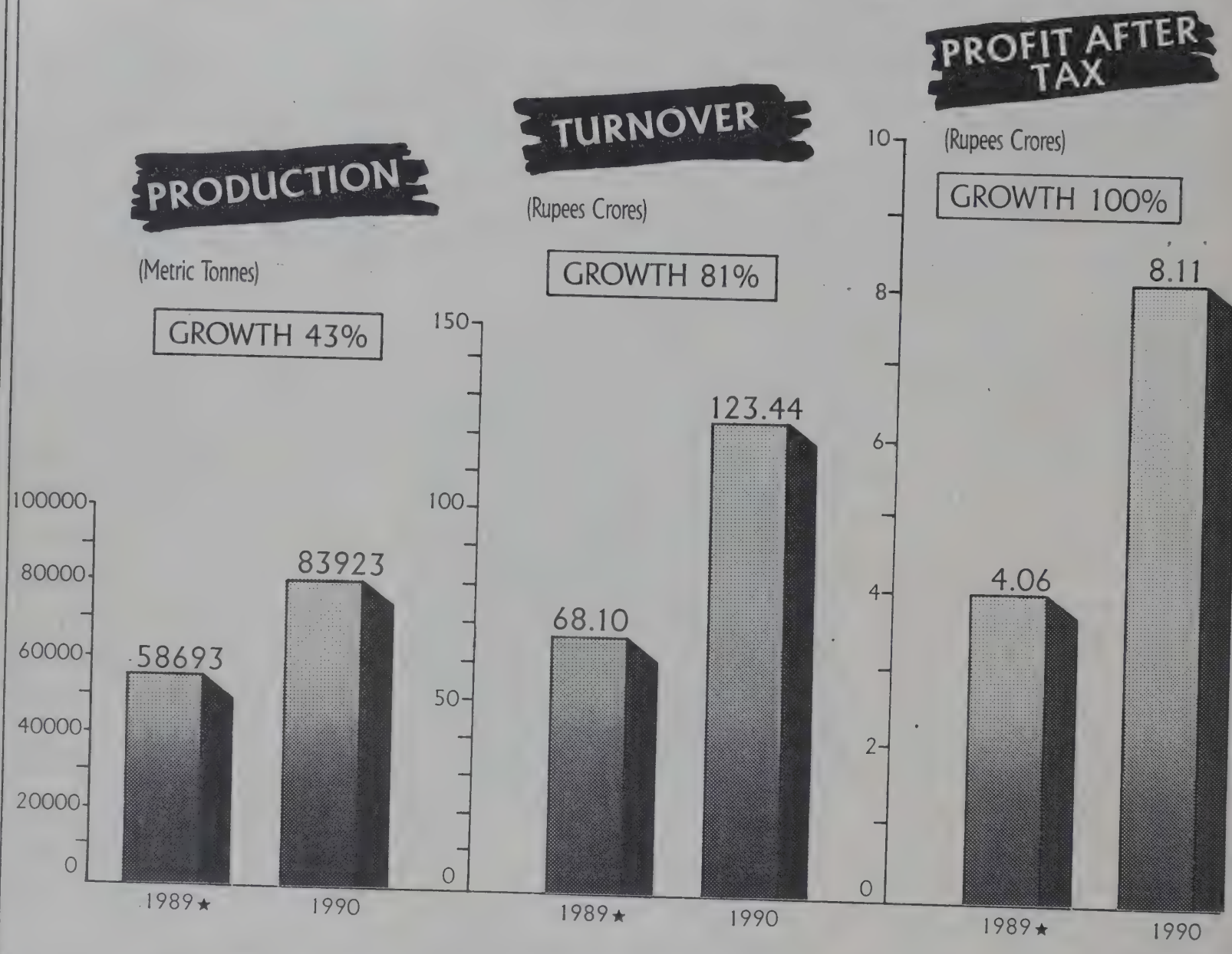
With the improvement of communications has also come a change in working style. Says Tyabji, "We wanted to do what was only talked about in business magazines." The key to the organisation is that its motto is: "Do as I do, not as I say". Employees are trusted to set their own goals and these are subject to periodic review. Otherwise people can work whenever they choose to and just have to make sure they meet customers.

The loose working style doesn't mean any loss of accountability. Many fast-growing corporations founder because they lose control over their finances. But, according to Tyabji, in the case of VeriFone he can monitor sales, production, and revenues daily. The company prepares monthly results. So, for the management the results are consistent and predictable. They don't have to scramble at the last minute to artificially bolster their results.

That the corporation's method works can be judged by its performance against the competition. When VeriFone entered the transaction automation business the market was dominated by a Japanese giant called Omron which controlled 55 per cent of the market. By 1989, VeriFone had two-thirds of the market and Omron was down to 6 per cent.

■ EAPEN THOMAS

GROWTH THROUGH PEOPLE, PRODUCTIVITY AND QUALITY.



★ANNUALISED

BHADRACHALAM SCALES NEW PEAKS IN 1989-'90.

A decade of:

relentless effort and hard work
sustained pursuit of productivity and quality
unremitting thrust on contemporary technology
cost-effective energy and raw material management
innovative product development
abiding commitment to customer
and true concern for people.

IN TUNE WITH TECHNOLOGY.
IN HARMONY WITH NATURE.

BHADRACHALAM PAPERBOARDS LIMITED

An enterprise promoted by I.T.C. Limited
106, S.P. ROAD, SECUNDERABAD-500 003.
PH. No.: 846566 to 846573. FAX: 842997

REIGN POLICY

Need for economic thrust

ch has been said about the impact of Kuwait crisis on the Indian economy: additional Rs.3,000 crore on the oil bill, s.100 to 300 crore drop in exports to Middle East, and a net decline in re-ttances in 1990-91. These are all bound worsen the foreign debt, inflation and employment situation. The question to asked is whether the government was rely caught unawares by the sudden-ss of Saddam Hussein's invasion or, ether, there are in fact, some funda-ntal weaknesses in the conduct of dia's external relations which can make e country economically vulnerable to nflicts in the post-Cold War era.

It is now clear that economics has re-aced ideology as the basis of interna-nal relations. The German unification, e Soviet Union's friendly overtures to pan, Thailand's new-found friendship th Vietnam, are positive expressions of is fact. The downside of this is reflected the US-Japan trade war, the Baltic revo-tion in the USSR and Iraq's invasion of wait, following the breakdown of bilat-al aid talks.

ot prepared

dia's search for alternative oil supplies, o weeks after the Gulf crisis broke out, early indicates that we are not suffi-

The question is whether the government was merely caught unawares or whether there are some fundamental weaknesses in the conduct of India's external relations

ently prepared for economics-based orld politics. And oil is only one of our any problems. Our capability of coping th other fall-outs can be questioned too: r example, making up for fall in remit-nces, facing increased competition in e West for our exporters, and increasing fence expenditure to match a more mil-arist Pakistan with its key role in the US me plan in West Asia.

There are also no signs of India prepar-g itself for the economic consequences some of the other problems of the 1990s: civil strife in Pakistan and Bangladesh leading to a flow of refugees to India, possible disintegration of the USSR with some republics showing no interest in rupee trade, relations between Eastern and Western Europe affecting trade with the developing world, uncertainties in post-apartheid South Africa and post-1997 Hong Kong, and Japan's role in transnational wars.

Ironically, India was one of the first countries to provide an explicit economic orientation to world politics. Since the late seventies, India, along with Malaysia, Yugoslavia, and a few other countries, has turned the non-aligned movement into an economic bloc of the South. India has also led efforts to organise Third World opinion on world debt, trade in services and entitlement to ocean resources. Prominent amongst those who spearheaded these efforts include the late L.K. Jha, who was deputy chairman of the North-South Commission headed by Willy Brandt; Manmohan Singh, ex-Reserve Bank governor and currently secretary general of the South Commission; and foreign secretary Muchkund Dubey, one of the architects of the G-15 summit at Kuala Lumpur.

The problem is that India has not been able to translate rhetorics into protection or promotion of its hard economic interests. Except for Nepal and Bhutan, India does not hold a pre-eminent position in any non-aligned country. Even neighbouring Sri Lanka, which shared a common currency with India four decades ago and recently made the Indian exchequer pay for its internal battles, looks at the US, Japan and UK as its main trading partners. Not surprisingly then, with 15 per cent of the world's population, India accounts for less than 1 per cent of the world's commerce.

Crises control

It is obviously not the government alone which is responsible for India's low ranking in the world market. There is not even one private sector company which exports more than Rs.300 crore, a figure crossed by 30 companies in Turkey, a country with a quarter of India's GNP. Indian businessmen want foreign technologies but complain if the government raises prices of petroleum products to meet hard currency shortage. Not many Indian companies can claim to have established product brands, a distinct corporate image or long term strategies in global business.

In the absence of support from big industry, the government has to depend on technicians, nurses, domestic servants and construction workers, mostly spread out in the Middle-East, to manage the balance of payments. As a result, its capacity to respond to economic shocks of international politics is limited. For example, if India had sophisticated trading companies, they would have lifted spot oil in the early hours of the Kuwait crisis when the prices were still around $23 to $24 per barrel. Here, the government's own STC and MMTC, now managed by a holding company, Bharat Business International Ltd should have responded immediately.

The government must immediately put into motion a mechanism for forecasting international conflicts and their economic implications. The capability already exists

If the government is serious about protecting the country's economic interests in the eventuality of any future conflicts, it must immediately place into motion a mechanism for forecasting international conflicts and their economic implications. The capability already exists in the form of Research and Information System, Indian Council for Research in International Economic Relations and Institute of Defence Studies and Analysis. Also, Indian missions abroad must learn to be vigilant about both economic threats and opportunities — be it prediction and prevention of a future version of Super 301, or devising a means to make inroads into western Europe if East European growth opportunities turn sour, or preparing for any of the problems of the nineties mentioned earlier.

Finally, the government must work more closely with the corporate sector. Industry, on its part, must learn to earn foreign exchange and not just complain about exchange control and infrastructure costs. In brief, the government, industry and academia must work together if the country has to hold its own in the international arena.

■ SUNDEEP WASLEKAR

KAFCO

KARNAPHULI FERTILIZER COMPANY LIMITED

BANGLADESH

US$100,000,000

Project Financing

Arrangers

Citicorp International Limited

The Fuji Bank, Limited

Underwritten by

Citicorp International Limited

The Fuji Bank, Limited

Funds provided by

The Fuji Bank, Limited

The Bank of Tokyo, Ltd.

The Mitsubishi Bank, Limited

Arab Banking Corporation (B.S.C.), Singapore Branch

Citicorp Investment Bank Limited

Gulf International Bank B.S.C.

Morgan Grenfell & Co. Limited

Agrani Bank

The Daiwa Bank, Limited

Janata Bank

The Mitsubishi Trust and Banking Corporation

The Yasuda Trust and Banking Company, Limited

Agent

Citicorp International Limited

August 1990

This advertisement appears as a matter of record only

edigreed prodigals

ia-born transnational managers are taking up home postings in increasing nbers, bringing with them an international experience, setting a frenetic e and generally doing things with a confidence that borders on arrogance

clock isn't ever allowed to tick away by Sid Khanna. "Will you send in those ers in less than a minute?" he asks a eague over the intercom. His secretary equested to arrange for coffee "in two utes, please". Time is in its eternal nt and at management consultancy Arthur Andersen & Co, whose Indian ration Khanna heads, the credo is to ke the most of those fleeting moments. his time consciousness brings Khanna his team to their work desks bright early, at 8 am on the button. This way can avoid the serpentine rush-hour ues for the elevators that spill out of Cuffe Parade skyscraper in south nbay where Andersen's office is lo-ed. "We're fanatical about deadlines," nits Khanna who regularly clocks in 12 rs of work a day, including Sundays.

his work ethic is but a clone of what anna a chartered accountant-turned-sultant, imbibed over a decade at An-sen's UK headquarters. In 1987, a year r he was made partner (currently An-sen has 2,200 partners and a staff ength of 60,000 worldwide), the firm its sights on India. "The market here n't quite know our name," says anna, recalling that they introduced mselves "as in King Arthur and Hans dersen". Fables are a thing of the past v, today Andersen has a blue-chip cli- roster and a staff strength of almost) between Bombay and Delhi.

Khanna is but one of the many interna-nal managers — of Indian origin — o have returned to home base and re-covered its 'exciting opportunities'. ese opened up in the latter half of the hties, when a host of hi-tech multina-nals trooped in. From consultancy to nputers (Hewlett Packard, Intel, Digi- Equipment) and telecom. And who ld be a better choice to head the Indian erations (or at least occupy key posi-ns) than people already familiar with country's business terrain?

hese 'prodigal sons' are clearly of the icest pedigree. Usually armed with a st-graduate qualification from a top-of-e-rung American university, they have in long stints at heavyweight corpora-tions. An easy informality and an open door policy is the hallmark of their operational style. Consider their names which are easier to pronounce as Americanised abbreviations: Ken, Mike, Sid, Ron. And their vocabulary which is peppered with Americanisms: 'quality time', 'empowering people', 'grassroots vision'. They exude a confidence that borders dangerously on arrogance. For this is a club of young ones whose overseas experience has catapulted them several rungs upwards. These transnational managers see themselves as breathing life into the old scheme of doing things. And propagating an altogether new management order. A variety of propellers took them overseas in the first place. Education is the commonest factor, with most staying on and taking up job offers that came their way when the course was completed.

Ravi Khanna, a chemical engineer from IIT, Kanpur, went off to the US to do his masters at prestigious MIT. When the Eastman Kodak company made him an offer, Ravi couldn't refuse. He's been there since 1968 based at Kodak's headquarters in Rochester, which is a half hour by plane from New York. Starting off as a research chemist in the polymer development lab, Khanna put in stints in the synthetic chemicals, R&D and life sciences divisions, switching also from research to pro-



Ravi Khanna: bringing that little bit more

duction and marketing. Last year Kodak made him another offer which, again, Khanna couldn't refuse: to head the Indian subsidiary. "I felt I would be more effective since I would be bringing more to the table," he says explaining the logic behind his decision.

A similar case is that of Delhi-based Krishna R. Tanuku, regional vice- president, AT&T India Limited. A graduate degree in telecommunications and a masters in electronics from the Indian Institute of Science, Bangalore, did not satisfy Tanuku's learning urge. This eventually took him in 1973 to the University of California, Berkeley, where he spent five years acquiring a masters and then a Ph.D. in electrical engineering and computer science. Along came the opportunity to get "some work experience before returning home" at AT&T Bell Laboratories, Illinois.

A series of professional challenges prevented Tanuku from adhering to this original agenda. Tanuku's career path, though in the same company, has followed a multi-dimensional course — in product development, research, international marketing, customer services. In 1986 Tanuku was chosen as AT&T's representative on an American telecom delegation to India. The die was subsequently cast when AT&T decided to set up a liaison office in New Delhi. Significantly, while there were at that time almost 1,000 Indians working at AT&T, 80 per cent were in R&D and Tanuku's international exposure made him a marked man.



Sid Khanna: "fanatical about deadlines"

Better career prospects, notably in the form of fatter pay packets, have lured many an Indian manager overseas. Seeing no long-term future as a salaried executive in India, Raj Bajaj decided to get off the stairs and take the elevator. Quite literally, he had been dealing with the latter through all of his corporate life, having worked with the Otis Elevator Company since 1967.

In 1979 Bajaj headed for Dubai, up the general manager's post at U National Development Corporation agents in that region. Once there, he rienced the shock of "being expos market dynamics as opposed to the placent life of a market leader". Ther doubt that his career picked up thereafter. He moved back to the Far putting in spells at senior levels in J and Thailand before being given cha managing director of Otis SA, in Mal His speciality: turning around loss ing companies (for example, the M sian unit was bleeding up to $ 3 m annually when Bajaj took over) i short span of two years. The decade nomadic existence ended last year Bajaj returned to assume charge of O India as managing director. This op tunity to head a larger organisation compelling enough reason to return.

The call of the homeland has a mag appeal to the India-born manager. other transnational managers tend t gard as a back-of-the-beyond assignm for which they demand (and get) a h ship allowance, the non-resident In manager views as a career milestone. the principal company the head of t Indian operations is rated generall middle management. From a career v point, an overseas stint gives a leve and adds value to a manager's resu "There is no better way to cut your te professionally than being a country m ager with independent charge of a pr



Bajaj: turning around losers



ku: international exposure

re," feels Ken S. Bakshi, president, mid India Limited.

kshi started off, after leaving Delhi in , with an MBA in international fi- e from Rutgers State University, New y, and later joined IBM's office prod- division. His next career halt was at blue-chip Corn Products company e he spent five years "working my way n business research, marketing and ness development. Thereafter he d the American Cynamid Company put in spells as business planning ager for new ventures in Europe and Africa. Bakshi was based in Zurich as ness manager for veterinary products re taking up the Indian challenge in .

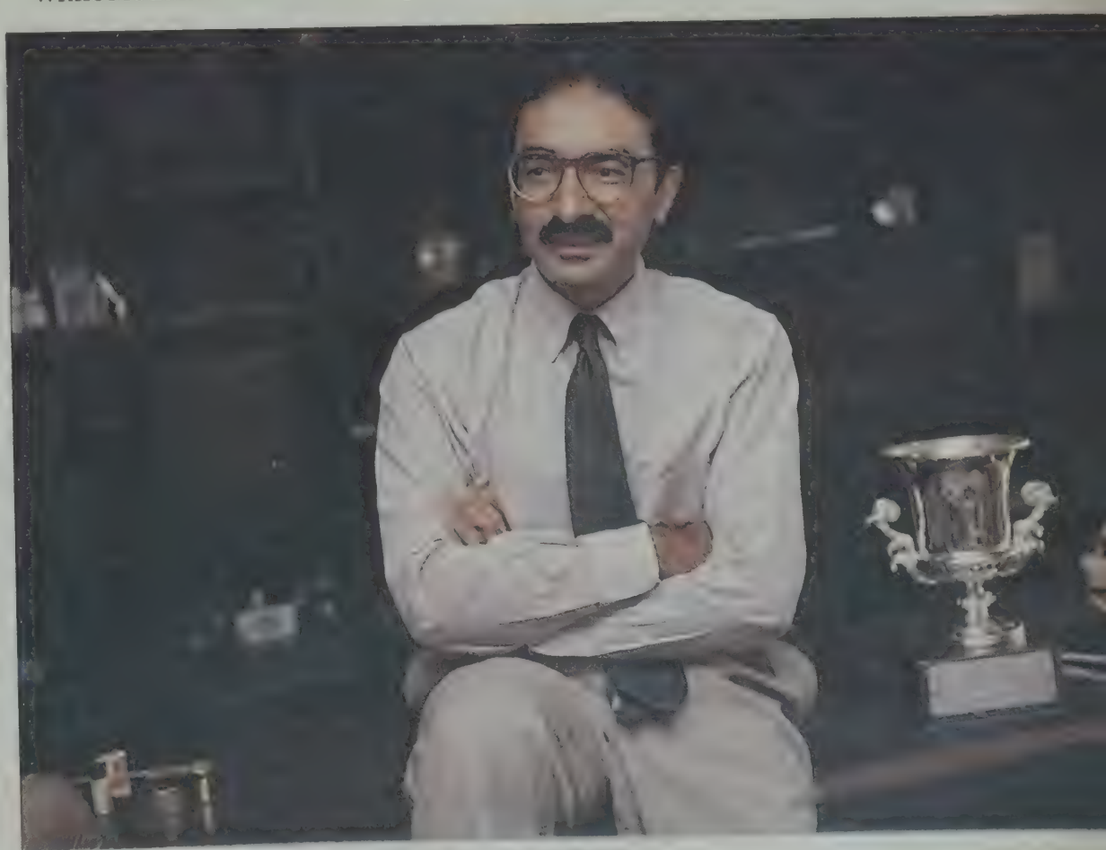
ne past four years have seen some ty dramatic changes, according to shi. One challenge was the dilution of foreign equity to 40 per cent, which ned up avenues for growth. But more n improvement in numerical values namid's 1990 turnover: Rs.69.20 e; 1986:Rs.41 crore) is the progress le in organisation building, what Bak- terms as "getting people to believe in cause".

angalore-based Vikram Modak him- mooted the idea of a posting to India. anted to be a part of the growing com- er industry," he explains. Prior to his necoming early this year, he looked af- Intel's Far East interests from Hong g for three and a half years. It's been a ly rapid rise since August 1982 when vas picked up by Intel during campus recruitment at Wharton Business School, USA, where he had just completed his MBA. Currently designated director of Intel's South-West Asia operations, Modak has plans for a major structural change. Presently, Intel here is supported by California, but Modak wants to incorporate India into the Asia Pacific group which is an attempt to "get our country into the mainstream of computer activity".

While Modak has first-hand experience, having worked with Kirloskar for four years in Pune, for many the Indian work ethos is a first time experience. While the big vision is certainly important, it has to be placed in the context of the Indian reality. As Tanuku puts, "We have to learn to temper our expectations." They are only too conscious of the fact that a slew of adjustments has to be made — at the workplace, with the business environment and on the family and home front.

The insidious nexus between business and politics and government policies that could change overnight make nonsense of planning and five year targets/budgets. Pepsi Foods' managing director Ramesh Vangal has had to contend with more of this than perhaps anyone else. The highly controversial project has run its course through a series of turns and about-turns. This, for Vangal, has perhaps been a more harrowing experience than the one in Central America when his passport was stolen at gunpoint. Vangal was then working with Procter and Gamble, the consumer products giant, in international marketing. This gave him an opportunity to travel to 62 countries before the entrepreneurial drive at Pepsi attracted him and placed him at the head of the new business development division.

The reality has already set in that politics inevitably spills into business. "It's a lot simpler and cleaner to make money elsewhere in the world. And nowhere else



Bakshi: the challenge of independent responsibility

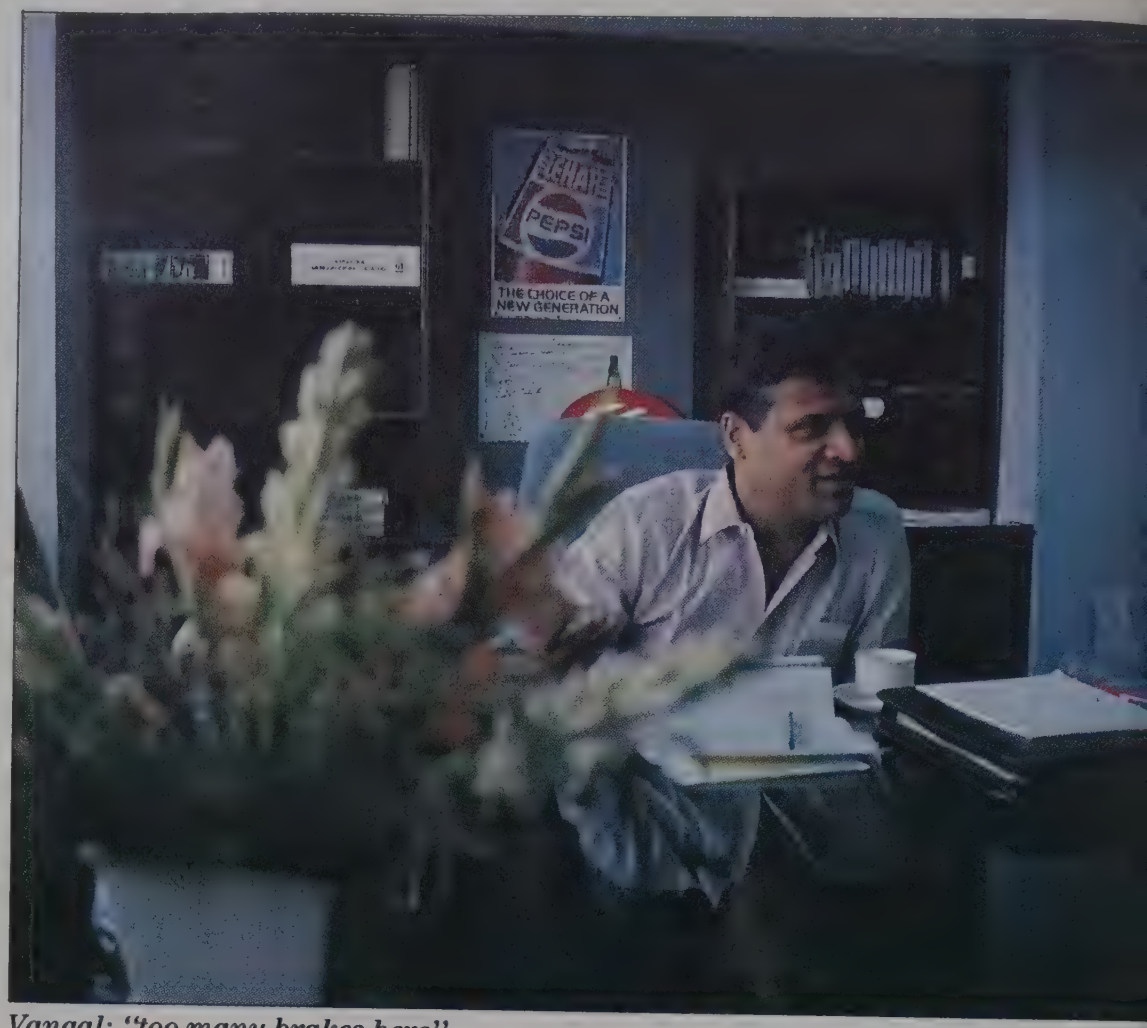
are there brakes put on production," is Vangal's critique. As for Indian business and businessmen Vangal's observation is, "The accent is on grabbing another person's share of the pie instead of enlarging the pie itself."

For Suresh Rajpal, president, Hewlett Packard India, the challenge was clearly "to change the Indian work culture". Not only has this meant stepping up efficiency levels but more importantly bringing about an attitudinal shift. Rajpal propagates an open-door policy where ideas are freely exchanged at both senior and lower levels. This is dovetailed into HP's business philosophy, which Rajpal has learnt well over the 21 years he's worked with the company: dedication to quality and customer satisfaction.

All the expatriate managers concur that shifting from a highly competitive environment to a relatively protected one has its own set of disadvantages. But the transition from a system that always works to one where the basic corporate infrastructure cannot be taken for granted does not appear to faze them. Instead of viewing operational problems as barriers to efficiency, Ron Mukherjee, credit and operations director of Citibank's spanking new credit card business in Madras, believes that constraints can be turned into catalysts of change. Their hi-tech oriented set-up, with fully computerised systems and back-office processes, is susceptible to disruptions in communication links or electricity. But our 'prodigals' seem to be made of sterner stuff. As Sid Khanna bluntly puts it, "There are two kinds of managers: those who complain and those who don't."

The return of the native is, however, rarely prompted by purely professional motives. The family plays a major part in arriving at this most difficult of decisions. As far as the children go, the non-resident manager has to contend with a double whammy. Moving back would mean uprooting them from their home-ground. The consequences of this wrenching have to be weighed against the overwhelming desire to keep the children in touch with their real roots and culture.

Mukherjee, a chemical engineer and MBA, was locked on the horns of such a dilemma whilst working in Citibank's card division in New York. Even though he was overseeing a large-scale operation — 21 million card holders, $30 billion in receivables and a staff of 500 — it was still just a bit of the pie. After ten years in the business, Mukherjee felt that "life was getting



Vangal: "too many brakes here"

mechanical—you knew the answer before the question came up". His father's death in 1988 precipitated Mukherjee into seriously considering retracing his steps towards home.

While Mukherjee returned last May, his family followed in January this year and is still in the process of settling down. The language is a problem for them and so is the food. What the kids miss the most is television, so an obliging relative regularly sends a tape of their favourite programmes. Back at the office, Mukherjee's efforts are directed toward ensuring that the system works, for, as he says, "Doing it right the first time is easier than undoing it. Since it is an entirely new operation, there is the freedom and luxury to set a new pace and create a different work climate which emphasises group decisions and time management."

No matter how honourable or lofty their intentions these managers are not quite prepared to work 'happily ever after' in India. Pecuniary benefits here are no comparison to what they were getting overseas, and a transfer entails a substantial salary cut. For example, Bakshi's salary as stated in Cynamid's latest annual report at Rs.1,59,070 is a pittance in dollar terms and by American standards.

Given the Reserve Bank's stringency, no one is prepared to admit to receiving other benefits that compensate them a quately for the difference. A senior he hunter in Bombay points out that unwritten part of the contract is a per mance bonus which is paid at the en the contract period. The tab for medi insurance, social security and even children's education is picked up. An nual overseas trip is guaranteed and some cases 20 per cent of the base salar added on as a 'hardship allowance'.

Ravi Khanna, Bakshi, Bajaj a Mukherjee are quite clear that this i temporary career stopover. True, it m not be just another transfer but they f that their horizons are now much broad There are a handful, though, who wou like to stay on. Rajpal says he's not ave to the idea, provided "things smoothly". Rajiv Desai who heads IPA the public affairs division of ad ager Hindustan Thompson Associates, hold more extreme view. "I belong here. Goi back will mean defeat which I won't able to reconcile myself with."

Individuals may stay or go but t Indian transnational manager, as a typ is here to stay. Within their spheres of i fluence they are certainly orchestrating western-oriented management style th perhaps is the perfect blend of East an West.

■ NAAZNEEN KARMALI with bureau repo

INCOME-TAX PAYERS



TAKE SHELTER

Get 20% tax rebate on
your investment
under Income Tax
Act 1961.

INVEST IN IND 88A

Applications
accepted at
designated branches
of Indian Bank.



Indian Bank
MUTUAL FUND
Principal Trustee: Indian Bank

Corporate Office: 1st floor,
D.G. Chambers, Nanak
Motwani Marg, Fort, Bombay 400 023.
Tel: 271362, 272604

TAX SAVING GROWTH SCHEME 1990-91

ISSUE OPENS ON 12TH SEPT., 1990



Speech
by
Shri Y.R. Ghorpade
Chairman

THE SANDUR MANGANESE & IRON ORES LIMITED

AT THE THIRTY-SIXTH ANNUAL GENERAL MEETING HELD ON 31 AUGUST 1990

Ladies and Gentlemen,

I extend to you all a very cordial welcome to the Thirty-sixth Annual General Meeting of the Company.

During the year 1989-90 the Company made a profit of Rs. 10.96 crores, on a turnover of Rs. 78 crores, mainly because of better availability of power and improvement in the prices of its products. However, taking the decade as a whole, the Company has just been able to wipe out the losses that accrued during the earlier five years due to grossly inadequate power and steep hike in power rates. The Company's monthly power charges amounting to over Rs. 2 crores are being paid regularly and it has also been able to clear in full the difference between the rates fixed by the High Court and the tariff rates claimed by the Karnataka Electricity Board, amounting to about Rs. 6 crores for the period 16 December 1981 to 31 March 1987. For a power intensive industry like ours, it is crucial to receive adequate power at reasonable rates to maintain viability and ensure that the heavy investment in our electrometallurgical industry, consisting of three ferroalloy furnaces, does not become infructuous. I would like to take this opportunity to thank the Industrial Development Bank of India and the other Financial Institutions and Banks for taking a reasonable view of the difficulties that the Company had to face because of power shortage during the earlier years of the decade and enabling it to tide over the bad period by rescheduling the repayments and funding of interest. The Company has already commenced the repayment of funded interest and term loans.

The Government of India's policy of permitting import of pig iron under Open General Licence resulted in the disappearance of our electric pig iron market in 1982. However, the Company met this challenge by diversifying its production to include ferromanganese and silicomanganese along with ferrosilicon which is produced mainly to meet the requirements of the Steel Authority of India Limited (SAIL). Bulk of the Company's ferroalloys production has been supplied to SAIL during the last three years despite the open market prices being distinctly better, in keeping with our policy of a long term stable relationship with SAIL. **SMIORE** is also producing high purity ferrosilicon with 0.2 and 0.1 per cent aluminium to meet the specific requirement of SAIL. It is a matter of satisfaction that this was done with **SMIORE's** own R & D effort.

The international prices for both manganese ore and ferromanganese have shown improvement during the last two years. However, due to the very high power cost in the country it may not be possible for Indian ferroalloy units to compete in the international market without power being made available at international prices and adequate incentives for export. There is also great scarcity of metallurgical coke required by the ferroalloy industry which should be enabled to import coke free of
regards export of manganese o
policy of the Government is to c
it as far as possible and only abo
tons are being exported this ye
Minerals & Metals Trading Corp
(MMTC) which is the canalising
SMIORE was able to export 70,0
of low Grade manganese ore th
MMTC during the year 1989-90
SMIORE produced 60,000 tons
manganese ore of the right Mn/
for use in its own ferroalloys pla
also sold 43,000 tons of low
phosphorous manganese ore to
Maharashtra Electrosmelt Limite
is a subsidiary of SAIL. **SMIOR**
actively examining the scope fo
beneficiating its low grade mang
ores to maximise its use in its o
ferroalloys plant. Here the proble
separate the iron and manganes
elements in the ore by a technica
commercially feasible process, i
to upgrade the Mn/Fe ratio and
suitable for ferromanganese proc
This is one of the major objective
Company's R & D effort. The Co
has already established useful lin
technical organisations in the fiel
country and other countries such
Finland and Russia. Recently a F
delegation lead by Mr.L.R. Radiuk
First Deputy Minister for Metallur
Ministry of Metallurgy, USSR, ha
fruitful discussions with **SMIORE**
at Bangalore.

The Company is also examining
feasible in the field of energy sav
pollution control and captive gen
of power. In this connection, the
of the Government to encourage
industries to supplement its effor
in the field of hydel power is welc
as diesel and other sources of pow
likely to be very expensive for us
ferroalloy industry which is highly
intensive. Thermal power requirin
is also expensive and cannot be
undertaken except on a sufficiently
scale. Pollution control becomes
when it is linked with saving energ

The Sandur Manganese & Iron Ores Limited

Registered Office: 'LOHADRI BHAVAN', YESHWANTNAGAR 583 124, Bellary District.

it to atleast partially offset its cost. Company is in touch with experts in ay, Sweden and Finland for ifying the latest commercially ble technology suitable for Indian itions.

Company is continuing its avours to diversify into the field of ronics which is not power intensive. s commenced production of atrix printers, in technical boration with **Kovac – Nakajima All** pan. **SMIORE's** printers have been received in the market for their lient print quality. In response to an ation, our Company's esentatives recently visited USSR are keen to set up a joint venture to ufacture printers in USSR in boration with **SMIORE.** The pany is also developing a powerful u-driven application Software kage for Data Acquisition & Control tem running on a multi-user, multi- ing real time operating system using dard PC XT/AT based hardware ch is easily available in the Indian ket, in order to offer a total solution rocess control applications. The npany has also taken steps to blish a software development centre ain professionals for software orts. **The Sandur ProMinent Fluid ntrols Limited,** our subsidiary joint ture Company in collaboration with **Minent Dosiertechnick GmbH,** st Germany, is manufacturing ctronic dosing pumps which are satile and find applications in water effluent treatment and process ustries.

e Company has a number of welfare asures for its 2,300 employees with ticular emphasis on education, health housing and the supply of food and er essential commodities, including h, at subsidised prices. The mpany continues to supply rice, ar, tur dal, sweet-oil, chillies and gery at prices prevailing in 1973. This sidy amounts to about Rs. 3,000 per employee per year, including Rs. 400 for cloth, making a total of about Rs. 70 lakhs per year. The Company also guarantees and subsidises housing loans to its employees from the Housing Development Finance Corporation, which amounted to about Rs. 38 lakhs during the year and included helping 200 of its mining employees to renovate their existing houses in the adjoining villages from where they come for work. The Company subsidises the interest on housing loans to the extent of about 11 to 13 per cent.

The Company has always given special attention to human resources development as part of its welfare philosophy and programmes. **The Sandur Education Society's Polytechnic** at the Company's premises at Yeshwantnagar imparts training in important subjects like Computer Science, Telecommunication and Mechanical Engineering. Apart from benefiting the employees and the local population, the training imparted by this Polytechnic will provide many skills which will be directly useful to a number of industries including ours. The Company also supports the activities of the Sandur Kushala Kala Kendra whose basic objective is to encourage, train and develop locally available skills in arts and crafts, to supplement the family income of the employees of **SMIORE,** their dependents and others who reside in and around Sandur, and improve the quality of their life. In addition to its nutrition and health programmes at Deogiri, Subbrayanahalli, Vyaspuri and Sandur, the Company conducted during the year two eye camps and actively supported one, which resulted in sight being restored to about 500 needy patients from the surrounding villages. The Company has a long tradition of scientific mining and management with maximum concern for human welfare including environmental care and maintenance of ecological balance.

Shri M.Y. Ghorpade resigned, on 3 May 1990, as the Managing Director of the Company on his appointment as Minister for Rural Development & Panchayat Raj and Information & Publicity in the Govt. of Karnataka. The Board of Directors wish to place on record their deep appreciation of the valuable services rendered by Shri M.Y. Ghorpade to the Company since its inception in 1954, and wish him every success in the discharge of the high responsibilities that he has been called upon to shoulder at this crucial juncture in the service of the State and the Country, as during the period from 1972 to 1977 when he had a distinguished record as the Finance Minister of Karnataka.

I wish to express my appreciation of the good work put in by all the employees of the Company. I am grateful to all my colleagues on the Board for their valuable guidance and support.

Thank you,

Y.R. GHORPADE

Yeshwantnagar,
Date: 31 August 1990

Note: This does not purport to be a record of the proceedings of the Annual General Meeting.

ADVERTISEMENT



WARTSILA DIESEL
India Ltd.

Regd. Office: 1006, Tolstoy House, 15-17 Tolstoy Marg, New Delhi-110 001.

SPEECH BY THE CHAIRMAN MR MANTOSH SONDHI AT THE COMPANY'S FOURTH ANNUAL GENERAL MEETING HELD IN NEW DELHI ON AUGUST 22, 1990

Ladies and Gentlemen

It gives me great pleasure to welcome you to the 4th Annual General Meeting of your Company. Being the first Meeting after the Company's Public Issue in May 1989, this welcome assumes even greater significance and warmth. At the outset, I must thank the investing public and all the shareholders for the overwhelming response to the Public Issue, and for the confidence reposed in the Company. As some of you may be aware, the Public Issue was oversubscribed 17 times and although yours is a small Company, it has now a large family of 26,000 shareholders.

The report and accounts of your Company, including the notice to the shareholders, have been in your hands for some time and, with your permission, I shall take them as read. It is with a measure of satisfaction that the Board can report that your Company creditably fulfilled during the year ended Mar 31,1990 the tasks it had set itself, and achieved the goal of being the first indigenous manufacturer of large capacity, heavy fuel Diesel Generating Sets.

In the period under review, your Company earned a cash profit of Rs. 1.14 crores on an income of Rs. 8.07 crores. This is a creditable achievement considering that manufacturing operations of the Company cover a period of a little over 4 months in the financial year. After writing off losses of the previous years, a net surplus of Rs. 10.33 lakhs has been carried forward.

THE KHOPOLI PROJECT

Projects the world over have the intrinsic propensity of overruns, both in terms of time and costs. I am happy to report that your Company's small but dedicated Project Team, backed fully by the Collaborators' commitment, ensured timely completion of the project within budgeted costs. Production at Khopoli commenced on Nov 22, 1989 and the first Indian-made 4MW DG Set was despatched on Feb 28, 1990 and commissioned on Mar 31, 1990.
This event of commissioning the first set completed the cycle of events commenced 15 months earlier with the start of project construction, and was the culmination of the first year's aspirations of your Company's employees. It served to instil in the new employees a sense of achievement and a desire to grow with the Company.

It is creditable that, in its short existence, your Company has established its production facilities and has knit together a lean but strong organisation in all its functional areas—Manufacturing, Marketing, Service, Finance and Personnel.

The Khopoli Works, with a strength of 67 personnel, nestles at the foothills of the Western ghats, in a lush green and pollution-free environment.

WARTSILA DIESEL IN INDIA

The Company's collaborators, Oy Wartsila Diesel International Ltd., have had a dominating presence in India since 1983, and have supplied DG Sets aggregating a power output of 300MW for captive industrial use.

Wartsila Diesel has had an impressive global growth, and they today rank as the world's leading manufacturer of medium speed diesel engines with a sales turnover in excess of USD 750 m.

The Collaborators have provided your Company excellent support right through– during factory construction, in marketing and project management and in after sales service—and have actively engaged themselves in training the Company's personnel.

India is a very important market in Wartsila Diesel's global network, and has accounted for almost 30% of Diesel Power Plant Sales in 1989. The setting up of the Khopoli factory further strengthens our Collaborators' involvement in India's power map.

POWER SCENARIO

The power sector, in India as elsewhere, plays a significant role in industrial development and successive Five Year Plans have been allotting increasing resources to this sector. Nevertheless, the gap between demand and availability has continued to widen and the country has still a long way to go before it can hope to meet its minimum power needs. An issue of "The ONGC Energy Review" aptly summarises the position thus

"In India, electricity consumption increased from 7.6 Twh in 1953- 124.6 Twh in 1984-85 representi annual compounded growth rate 9.5 percent, outstripping growth r 6.5 percent and 3.3 percent of oi coal respectively. With the progre increase in installed capacity the generation has increased from 6.6 billion units in 1950 to 201.9 b units by March 1987. However, I per capita electricity consumptio still less than a tenth of the world' average.

At the present growth rate we wo have just doubled our present pe capita consumption by the year 2 But even for this modest achieve India will need to have an additio installed capacity of at least 1,25,000 MW by the turn of the century".

Power shortfalls have been particul acute during the last two decades, necessitating resort to power ration industry and outright cuts resulting loss of production. In this situation t is increasing demand for captive po generation in order to insulate indus units from the effects of power shor and load shedding. Indeed, the Government is encouraging new pr to be planned on the basis of captiv capacity to meet upto 40% of their t power requirement. About one-third the captive power capacity in the industrial sector is at present by die generation and this share is expecte go up further, specially in favour of gensets of higher rating.

Given this scenario and the reputati Wartsila products because of their reliable performance, technological superiority and the ability to use domestic residual oils in place of the much costlier imported fuels, there c hardly be any doubt that your Compa has a promising future ahead of it. Y Company has an added competitive edge in that Wartsila DG Sets using LSHS as fuel generate power which cheaper than that supplied by most g

GAS-DIESEL ENGINES

The latest achievement of Wartsila Diesel's Technology Division is the

ɔment of a new gas-diesel engine
n operate on a wide variety of
om poor quality heavy fuel to high
hydrocarbon gases. This multi-
gine would find use in power plant
tion, pumping and compressor
s and fuel-off-the-well operations.
s-diesel concept permits instant
ɔver from gas to liquid fuel, and
vithout interruption, achieving the
efficiency regardless of the fuel. In
his new concept will allow a
rd Wartsila Vasa type of engine to
aseous as well as liquid fuels
t any modification to the basic
, once a high pressure gas
ɔn system has been fitted.

evelopment would certainly open
ɔportunities for your Company, and
tential will be tapped after your
any has stabilised its present
of operations.

R SALES SERVICE

Sales Service is fundamental to a
any's success; paradoxical though
seem, it is often the forerunner to
Service Excellence—along with
ner satisfaction—has become a
ord in Business Schools and
gement Development Programmes.
e is a doctrine in high-growth,
ssful companies.

Company of course started with
Sales Service activities when it was
ished in 1986, to service the
sing population of Wartsila DG
hat were being imported into the
ry. Today, the 70 committed service
nnel of this especially structured
ɔn render dedicated service to the
Sets operating in 26 installations
r the country, to ensure that much-
d power keeps the wheels of
ry turning.

NING

f the most essential inputs in a
n Resource Development
amme is Training; good training
rates as one of the key success
s in a company's growth. Every
yee in every unit needs training.
Collaborators have excellent
g facilities in all their units
wide, and have conducted training
ammes for your Company's employees both in India and abroad. Your Company has decided to set up a Training School in Khopoli, and Wartsila Diesel International and Finnfund have both agreed to share in the expenses of setting up this facility.

The Training School will be used as a centre for learning the skills associated with timely preventive maintenance and efficient operation of Diesel Power Plants. Sessions will include hands-on training and lectures, and will be dedicated to both Company employees and customer's engineers and operatives.

INDIGENISATION

I am happy to state that the transfer of technology from the collaborators is proceeding according to plan, and the Company has been able to indigenise components of these high-tech DG Sets in line with the duly approved phased manufacturing programme. The Indian electrical industry has also competently taken up the challenge of indigenously manufacturing large alternators of 4MW and 6MW ratings for your Company.

Considering the long lead times involved in the procurement of capital equipment, in many cases for the first time, it is creditable that all our Indian suppliers have worked closely with your Company in developing equipment and components to dovetail with our own manufacturing plans. I wish to thank all our vendors for their support and I am confident that our indigenisation efforts will continue to progress according to plan, thereby effecting substantial savings in scarce foreign exchange.

QUALITY MANAGEMENT

Your Company has a laid down Quality Policy and has imbibed from the Collaborators a Quality Culture which has been a tradition with them. Employees are exposed to the concepts of Total Quality Management, and Quality Circle groups have been formed to implement these in their everyday life.

HUMAN RESOURCE MANAGEMENT

A company's success as a business entity depends largely on the quality of its managerial resources, for human resource is indeed the greatest asset any organisation has. Your Company has a total strength of 190 committed personnel, who have knit themselves into a proactive team. It is their dedication and involvement which was responsible for completing the project on time and giving the Company such a fine start.

Your Company lays great store by Human Resource development and encourages active participation in training programmes for the development of skills at all levels.

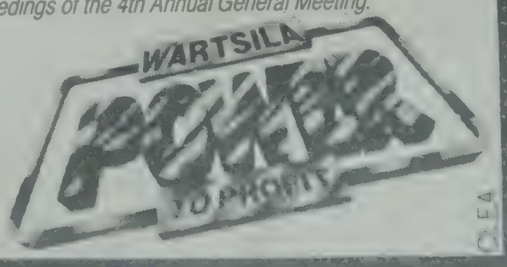
OUTLOOK AND PROSPECTS

The goals of your Company centre around Service Excellence, Customer Satisfaction, Quality Culture and Competitive Strategy. Success in the 90s and in the 21st century will depend not merely on how efficient we are, but on how effective we make ourselves. Your Company will focus on these key success areas so as to maintain market leadership in all its functions and achieve sales growth and profits substantially higher than industry average.

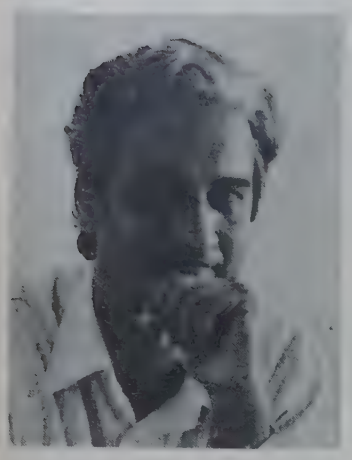
Your Company has secured prestigious orders from industrial users aggregating 58MW, including a single order for 30MW from TISCO Jamshedpur. From the present order book, 46 MW will be delivered by year-ending Mar 31, 1991. Based on orders that will be received in the remaining period of this financial year, the deliveries from the factory are expected to be even higher. These supplies will be made progressively over the year and will be completed in the second half of the current financial year.

Your Company has an excellent team of professionals possessing outstanding skills, sincerity to work, the will to succeed and the commitment to excel. These qualities, combined with technical superiority and a global leader's backing are a perfect recipe for sustained healthy growth in today's challenging environment..

This does not purport to be a record of the proceedings of the 4th Annual General Meeting.



The participation bill: pros and cons



E.A. RAMASWAMY

A bill seeking to statutorily compel industry to introduce worker participation in management has been presented in Parliament — the first move by the ruling party to carry out its election pledge, ignoring the protests of high level delegations from the private sector. While we have to wait and see whether the bill becomes law in its present form, it would be useful to examine the proposals.

Extending to industrial enterprises in all sectors, the bill provides for employee representation in shop and establishment councils and the board of directors. For the first time, participative rights are being extended to officers and managers. Workers will have 13 per cent representation, on the board of directors, and officers, clumsily referred to as 'other workers', 12 per cent. In shop and establishment councils, workers have parity representation with management, but officers none. Representatives to the councils and on the boards, who have a three-year term, must be employees of the concerned enterprise. No outsider or full time trade unionist can join any of these bodies. A representative loses his position in any forum on ceasing to be an employee.

Subjects listed

The bill sets down in two schedules the subjects to be taken up for discussion in shop and establishment councils. This listing conforms quite closely to the conventional distinction between work-related and interest-related issues. The latter, normally taken up for discussion in the bargaining forum, cannot figure in the discussion in any of the councils. Shop councils are expected to discuss production schedules, material economy, cost reduction, quality improvement and welfare measures. Establishment councils can, in addition, to these very issues, discuss the balance sheet, plant performance, labour and management costs, environmental concerns and personnel matters such as absenteeism, training programmes, social security schemes and problems concerning women workers. The functions of the board do not require to be spelt out, but it has been made clear that employee representatives shall exercise all the powers and discharge all the functions of a board member and shall be entitled to vote.

The bill is silent on the methods of choosing workers' representatives for participative bodies, but a scheme subsequently formulated spells this out. Where all the unions together control less than 50 per cent of the workforce, the representatives have to be directly elected by the entire body of workmen.

Where at least 50 per cent of the worke union members, the trade unions have the to nominate workers' representatives. In s situation, all registered unions which are a a year old, and control not less than 15 per c the workers, gain the right to nominate repr tatives in proportion to their strength.

A union gets the sole right of nominatio controls not less than 50 per cent of the v force, and no other union controls at another 15 per cent. Although not quite ex the scheme indicates this arrangement for a three levels — board, establishment and sho thus possible to have direct elections to the b but nomination to an establishment council portional representation for an establish council, but sole nomination to a shop or an mutation and combination of elections, sole ination and proportional representation. determines the specific combination is the sity of the union organisation and the spre union members in the different parts of an e prise. With regard to officers, however, direct tion is the only method provided.

Elections by secret ballot

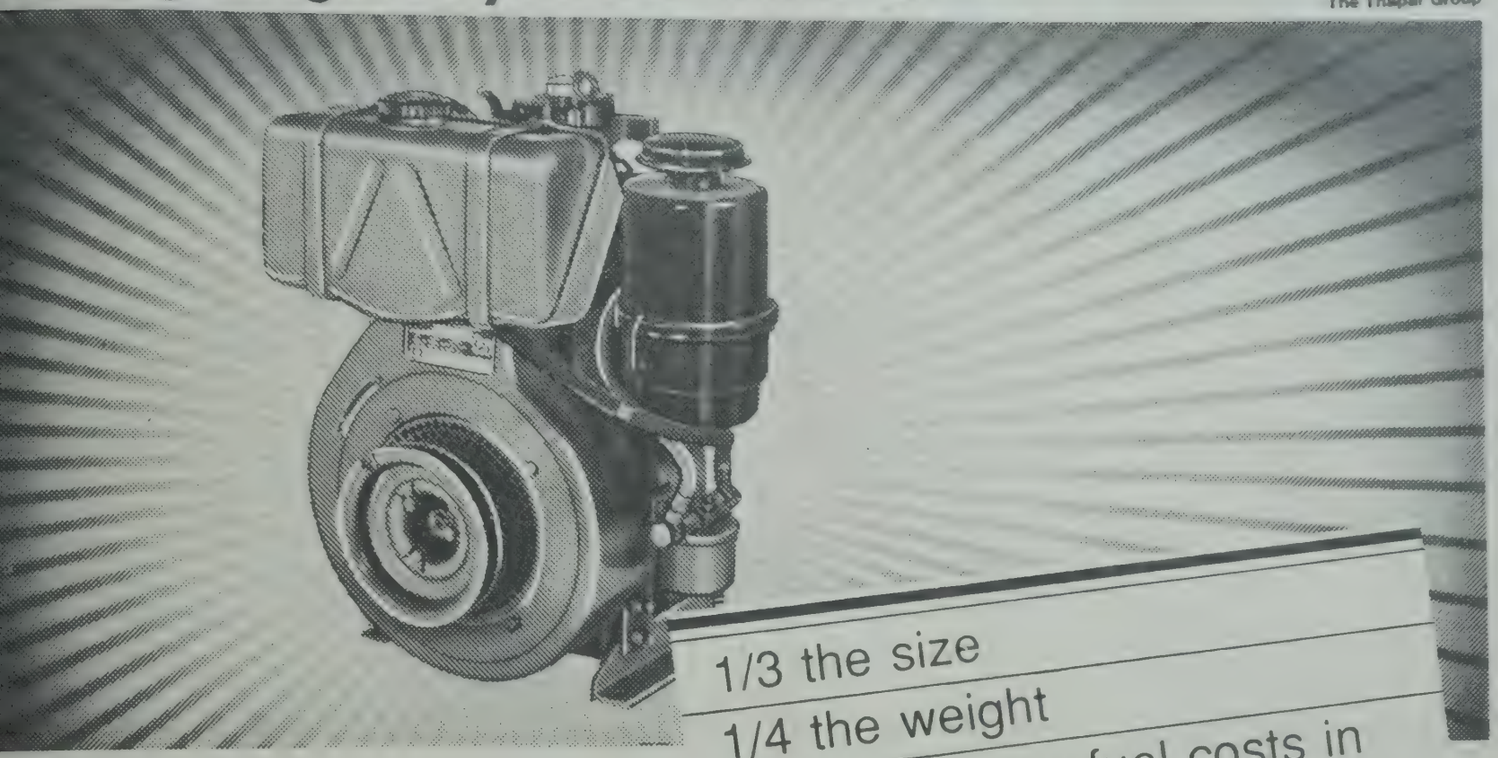
Anyone who is familiar with our trade union s would immediately want to know how trade u membership is going to be ascertained in the place — a million dollar question to which e one is expecting an answer from the Raman committee. The government appears to have empted the committee's deliberations, per in expectation of a division. The scheme prov unambiguously for elections by secret ballo ascertain trade union membership. The res sibility for organising the electoral process on the employer. He has to first hold an electio find out the support a union can muster in enterprise and its distribution among the di ent shops and establishments. This is the basi all further procedures. If the ballot shows more than 50 per cent of the workers are u members, the union gets the right of nominat If it shows that more than 50 per cent of workers are unorganised, the employer ha hold direct elections to the various bodies.

The scheme also addresses some other sal issues on which the bill is silent. It requires s councils and establishment councils to elect t chairpersons by show of hands. It also lays do that decisions taken on all issues, discusse participative bodies, must be by a majority vot the members present.

The author is a freelance commentator and consultant based in Delhi

)ver 100 uses we know of
nd anything else you can think of...

The Thapar Group



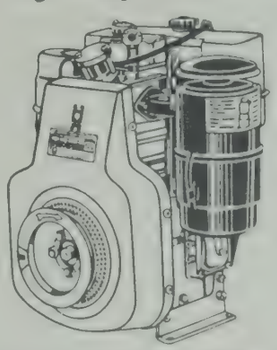
GREAVES DIESEL ENGINES

he Greaves Diesel Engine is the ame Greaves Lombardini Engine ou know so well. All we have hanged is the name. Everything lse about the engine is the same.

he Greaves Lightweight Diesel ngines have over a hundred pplications and are used today by ailways, Defence, Industrial Units, ne agricultural sector, small marine shing craft and on construction ites.

is one fourth the weight and one hird the size of conventional diesel engines and is available in a range of 4 to 11 HP.

It consumes only half as much fuel as conventional petrol engines. No wonder, Greaves Lightweight Diesel Engines are exported to many countries i.e. USSR, Australia, Philippines and Kenya.

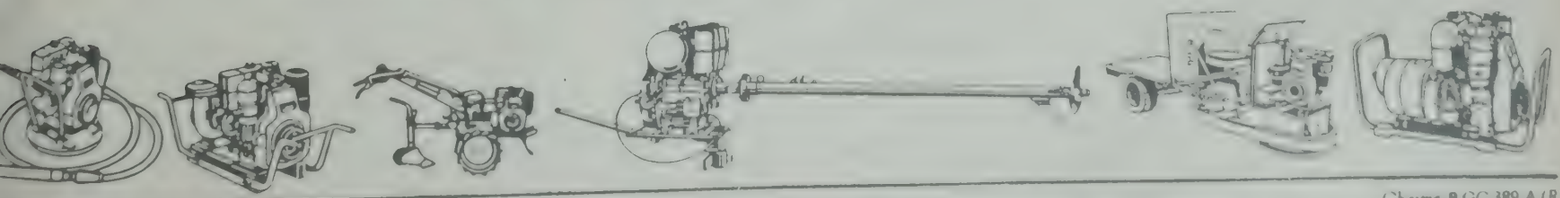


And, of course the superior Greaves quality is backed by the efficient Greaves after-sales service at 21 branches and a dealer network spread all over India.

For more information contact

Greaves Cotton & Co. Ltd.
Light Engine Division
1, Dr. V.B. Gandhi Marg
Bombay 400 023
• Delhi • Calcutta • Madras

Greaves Engines. The heavy duty lightweights.



Chaitra-B GC 389 A (R)

While the provisions of the bill are by now well known to interested circles, not many are aware of the scheme. Its dissemination is bound to further heighten the pitch of dissent against the bill which is already quite shrill. The criticism most widely voiced is that participation cannot be enforced but must evolve voluntarily. While the critics have a point, they must also tell us whether participation will grow through voluntary effort, and if so when. An honest answer to this question would lead to the conclusion that legislation is unavoidable.

Promoting co-operation

Having said this, we must ask why we need participative management. Labour thinks of it as a right, while employers do not find it worth having unless it increases productivity. Both may be wrong. We need it for a more fundamental reason, which is to reduce confrontation and promote co-operation between labour and management. If this is achieved, labour's rights and management's expectations would both be realised. Unfortunately, the bill does not quite recognise this need. The pre-amble states that it is being introduced to make provision for the participation of workers in management, which is tautological at best and one-sided at worst. It gives the impression of conferring a right on workers and not of promoting the common needs of both labour and management.

The entire world is moving away from the culture of confrontation, and we need to move more swiftly than most others. This alone is sufficient reason to welcome the government's initiative. The bill also has some features to be commended. It makes no distinction between the private and public sectors, recognises the need to draw managers into the web of consultation, and also prescribes a ballot to ascertain union membership. However, it suffers from many serious limitations.

One major problem relates to board level representation. What seems to rankle among employers, especially in the private sector, is that someone who has not put in his money should sit on the board. On the other hand, the fact is that most boards will have no more than one representative each of officers and workmen. These lone individuals would be unable to influence any decision, but nevertheless be held accountable by their constituency. The case of officers is particularly anachronistic. As far as they are concerned, the entire exercise boils down to one man on the board. The bill does not appear to recognise the changing employee profile of our organisations and the tremendous growth in the number of supervisory personnel. Nor does it recognise the need to reduce their sense of alienation through greater involvement. Quite obviously, what officers need is representation in the establishment council and not notional presence on the board. In fact, it is difficult to see what purpose level participation as envisaged in the bill achieve, except a purely symbolic one.

Rigid prescriptions

The bill also pushes the shop council and lishment council into a straitjacket by rigid scribing the issues they can take u discussion. It is doubtful if the neat disti between bargainable and participative issu be sustained in practice. The government haps keen to convince trade unions that p pative bodies would not tread on their t discussing bargainable issues. While it is i tant to carry the unions along, some flex could have been created by permitting the cils to take up additional issues through m consent.

The right to information is fundamental t ticipative management, but the bill does n plicitly recognise it. While emp representatives have no right to informatio spectors appointed to supervise the syste enter premises, summon records and ask f formation. It is difficult to understand ho ployee representatives can discuss vital i without access to information. What is als clear is whether the councils are consultat decision-making bodies. They are expected cide on issues by a majority vote, but what status of these pronouncements? If they ca make recommendations, the survival of the cils would depend on management's willin to take these recommendations seriously. the other hand, the decisions have the powe mandate, this needs to be clearly spelt out.

We come finally to the secret ballot. While would welcome a ballot, it is doubtful if its duct by the employer would be acceptable ther side. Not long ago, trade unions oppo check-off on the ground that it permits mani tion by management. They would now sa same thing about elections. It is doubtful employers themselves would want to take u responsibility. This is where we need the ser of an independent commission.

For all its limitations, the bill signifies fresh thinking on industrial relations. The growing evidence of a more balanced underst ing of the trade union situation as well as of agement styles. What is missing is a rea understanding of the government's own role government's machinery lacks credibility there is no willingness to face up to this truth sweeping powers conferred on inspectors is i ative of the government's misplaced faith i own efficacy. Along with whatever else it does government must seriously consider a ph withdrawal from industrial relations in favo a neutral body. Without this vital step, many o reforms would simply come unstuck.

Colour symbolism studies in India date back to Vedic times. What the great rishis discovered then about the physiological and psychological effects of colour on human beings is today borne out by scientific experiments.



Colour and India – 2 Research & Design: Manu Desai

Saptaswaras sing in melodious colours.

Saptaswaras
are the seven notes of the musical scale.
Close your eyes and listen.
Perhaps you will see what the sages saw a thousand years ago:
music in a spectrum of colours.

According to the rishis all sounds including musical notes have emanated from "OM" – the primordial sound that travels from the navel to the nasal. And the seven musical notes bear a correlation to the seven colours of the rainbow.

In Indian classical music each raga projects the natural light of the hour and the characteristic colour of the season. The musician uses the palette of ragas or the musical scale to paint fascinating colour harmonies and colour contrasts within a melody. Even today, it is said that the finest listening is where the mind translates the sound of music into multi-coloured light.

Three decades of dedication have given us at Colour-Chem an indepth knowledge and understanding of colours and chemistry. Enabling us to serve you with the best. Dyes for textiles; pigments for paints, printing inks, plastics and rubber; organic chemical intermediates; leather chemicals.

However, our quest continues... to seek more colourful horizons in the chemistry of colour.

Colour-Chem

Where chemistry takes many hues.
Colour-Chem Limited. 194, Churchgate Reclamation, Bombay 400 020

HTA 1711

LIKE THE WARMT



TERENE/WOOL WORSTE

FOUR DECADES OF CLASS

I N Y O U R H E A R T



R O M G W A L I O R S U I T I N G

GRASIM
GWALIOR
SUITING
IN A CLASS OF ITS OWN
A PRODUCT OF GRASIM INDUSTRIES LTD

Bon Voyage



Mysore Kirloskar bids a proud adieu to over eight hundred machine tools in 1989-90, to the distant shores of the USA, UK, Canada, West Germany, Russia and other countries.

In fact, Mysore Kirloskar exports as much as 32% of its machine tool production, against an industry norm of only 14%. In the USA alone, there are eight thousand Mysore Kirloskar lathes working to perfection. A fact which speaks volumes for quality and adherence to international standards. Further validation of which comes from the certificate of quality acceptance from TUV of West Germany.

This year Mysore Kirloskar targets to export over one thousand machine tools. And promises to strengthen the growing confidence in Indian precision engineering in the most quality conscious markets in the world.

Mysore Kirloskar. Soon you'll be able to share its success.

Kirloskar

THE MYSORE KIRLOSKAR LIMITED

– Leadership through international acceptance

Regd. Office: Yantrapur, Harihar 577 602, Karnataka, India
Phone (08197) 2205/2206/2207 Telex: 0834-222-MKL IN
Cable: MYTOOLS Fax: 08197-2309

BI's new dish

soon see dish antennae crowding oftops of the State Bank of India's offices in major cities, don't be sur-. It's not because the bank wants to le its employees with TV all day but se service is a top priority on the s agenda and state-of-the-art, satel-ised customer services its goal.

against stiff competition from for-anks, which systematically steal its mers, SBI has finally decided to go hi-tech and link its major business es by satellite. It is the first bank gst the 125-odd organisations that allowed to have their own business rk using the Arabsat (a leased satel-under the Remote Area Business ge Network (RABMS), recently an-ced by the Department of Telecom-cations (DoT).

is the first step rds a global link-preparation for ecting with T (Society for dwide Interbank ncial Telecom-cations) when omes in next " says P.G. Ka-ar, the bank's ral manager, ning.

cording to R. Ra-, general man-systems and nology, of the an ambitious has been laid to ect the bank's r branches in 20 s and finally the l office through Very Small Aperture Terminals ATs) that will beam messages across country. "The main purpose is to ac-remote areas like the north-eastern es where transactions get delayed," Raman. Test processes are already er way between Delhi and the head of-in Bombay using equipment supplied ne DoT.

resently, SBI has a message switching work for data transmission that oper-on telex circuits, along with an inte-ed voice network that functions on ed P&T lines. Both these together form t is known as the SBInet. There are six separate nodes — at Delhi, Calcutta, Bombay, Madras, Nagpur and Hyderabad — which are in turn connected to the local offices through dial-up telephone lines for instant transfer of data.

"We wanted to expand," says B.B. Saxena, general manager, commercial and institution banking projects, "but found the transmission speed extremely slow at 50 baud (bits per second), which meant only about 70 words a minute were being sent across." Saxena earlier headed the fledgling computer division of the bank. The satellite link, once installed, will accelerate data transmission speed up to as much as 2,400 baud.

When the DoT mooted the idea of RABMS in early 1989, SBI was one of the first few banks — with Bank of India and Vijaya Bank — to apply for the facility. At that time, the DoT floated a separate organisation for data networks, which was to conceive and implement the programme of private organisational networks. However, the schedule ran into trouble when the Insat-1C programme failed. The DoT then decided to use Arabsat and go ahead with its telecom networks, specially the RABMS. From January 1991, this network will be moved to Insat-1D, increasing the data transmission speed to 9,600 baud.

The main advantage to SBI from the satellite link up, will be a distinct improvement in customer services. Inter-branch reconciliation continues to be a major drawback with Indian banks today. "It takes 10 to 15 days for clearances between two branches. Data transmission through satellite will reduce it to a mere 24 hours," says Raman. If the infrastructure is set up and the sought speed achieved, customer service can improve manifold, he adds. The need for higher speed is also being recognised because of the ever increasing volume of inter-bank transactions — 120,000 per day. It will also increase the efficiency of the bank's management information system.

Better communication

Raman and his colleague P.R. Bhonsle point out that the satellite link will also improve SBI's communications with its 50-odd foreign branches. Once SWIFT is set up, inter-city foreign exchange transactions will be directly linked to the main overseas branch in Bombay where the SWIFT node — a VAX-3400 minicomputer from Digital India — will be installed.

However, what is really important is the economic viability of the whole project, which is supposed to be in place by end-1990. SBI will be spending Rs. 1.2 crore on the 20 VSATs it will be procuring from DoT besides the additional cost of the hardware — computer nodes and data equipment — that will be required at the hub branches. According to Bhonsle, at each site, the investment cost will be nearly Rs. 2 lakh. But beyond that SBI will use its existing facility — dial-up telephone lines to access the hub branches for various transactions like payment advices, letters of credit and inter-branch reconciliation.

In the next few months, 110 SBI branches at 20 major business centres will go the satellite way. From paying only lip service to customers, SBI finally seems to be moving in the right direction, by doing what it is supposed to — improving customer services.

■ RAHUL SHARMA



A dish antenna installed at SBI, Bombay HQ: eye in the sky

DON'T LET ANYTHING COME BETWEEN YOUR OFFICE AND ITS EFFICIENCY ...

To help you do that, Deepee, the best known name in office stationery, now brings you No-Carbon-Required (NCR, for short) Paper.

It's a product of the latest West German Technology and years of in-house R & D. Which not only means superior quality but also lower prices as compared to the other names in the market.

Consider the advantages

Clear, legible, smudge-free copies. With no dirty edges and no soiling of hands and clothes. And, of course, no hassle of inserting and removing carbons while preparing computer printouts and other such forms.

Plus, you get the advantage of complete confidentiality in your operations as there's no carbon to reach the wrong hands.

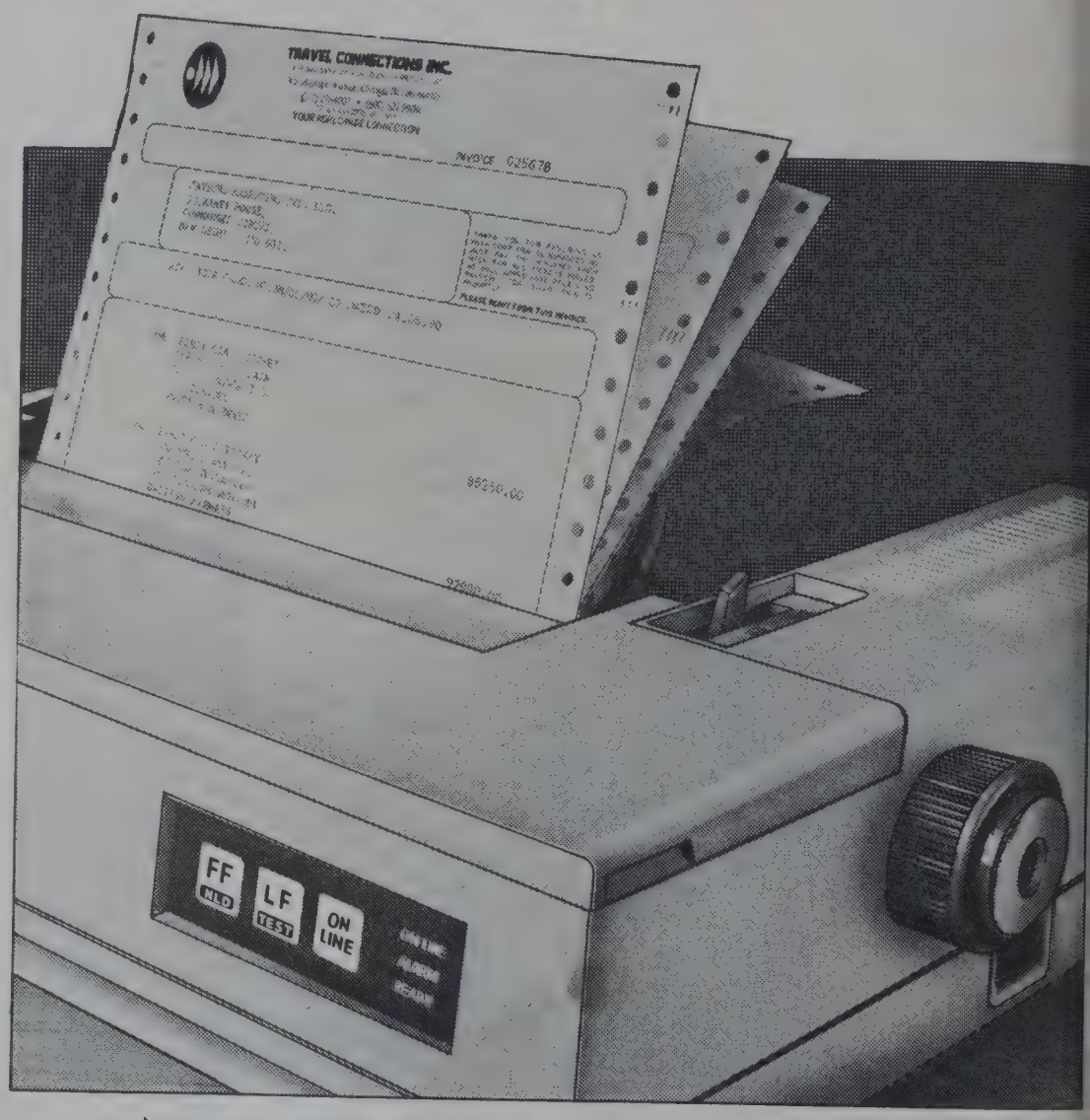
Make your office carbonless

And sure there'll be nothing between your office and its efficiency.

Deepee NCR is ideal for: Computer Printouts □ Bank Debit/Credit Vouchers □ Charge Slips □ Credit Card Bills □ Order Forms □ Invoices □ Delivery Challans □ Cash Memo Books □ Airway Bills □ Airlines and Railway Tickets □ Telex Rolls, etc.

Available in sheets & reels as per your specifications.

For your requirements of Deepee NCR, get in touch with us today.



... NOT EVEN A CARBON.

deepee

NCR (CARBONLESS) PAPER

AN IMPRESSION OF EFFICIENCY

Deepee Stationery Specialities Pvt. Ltd., E-34, Connaught Place, New Delhi-110 001. Ph: 3321124, 3321535.

Offices at : **BANGALORE:** No. 505, 4th Main, 2nd Block, R.T. Nagar, Ph: 332799. **BARODA:** Samarth Building, Raopura Road, Ph: 557888. **CALCUTTA:** 202/3, N.S.C. Bose Road, P.O. Naktala, Ph: 791840. **CHANDIGARH:** S.C.O. 2440, Sector 22-C, Ph: 33354. **DEHRADUN:** 50, Mohebewala Ind. Area, Saharanpur Road, Ph: 82208. **JAIPUR:** 45, Patel Colony, Sardar Patel Marg, C. Scheme, Ph: 70587. **LUCKNOW:** 212, Murli Bhawan, 10-A, Ashok Marg, Ph : 232854. **PATNA:** Kedar Bhawan, S.P. Verma Road, Ph : 220414. **NOIDA:** B-2, Sector III, Ph: 8921163. **MADRAS:** 12, Chinnathambi Street, Ph : 529800.

ITY FORGE

oulding a presence

ccent on quality, technical excellence and a visionary promoter have d this small company become a leading player in the forging industry

r was British, its axle shafts Indian. ril 1989, reputed English firm GKN started looking around for sup- of side gears and axle shafts for the dary Jaguar XJ40 saloon. One of the anies it settled for was a small, little- n but innovative engineering outfit: y Forge in Pune. For chairman and ging director J.C. Basu, 59, the deal ed the culmination of a 15-year-old gle to establish himself as a premier facturer of forgings.

lay, Trinity is one of the most inter- companies to watch in the field of



(centre) *with Banerjee and son Dipankar: always upgrading technology*

ner forgings. In 1974, the year Basu o shop, its turnover was a mere Rs.5.5 But last year (1989-90), it sold Rs.13 of light and medium forgings (rang- pto 10 kg) in the face of tough compe- . And sales this year is expected to Rs.18 crore. The total capacity today ds at 5,000 tonnes.

n in a hurry

s been a remarkable achievement for n who worked in different engineer- ompanies for 20 years and then, fed ith the limitations of a salaried job, n on his own. Basu had occupied se- positions with corporate giants like Telco, Wyman Gordon and Bharat Forge. But he was not happy. "I was always a man in a hurry and in the big companies, things would never get done at the speed at which I wanted," he says. This led to frequent clashes and misunderstandings with his bosses.

So Basu put in Rs.15,000 of his savings and his brother-in-law, Ranjan Banerjee, contributed an equal amount and Trinity Forge was born as a small forge shop in the Pimpri-Chinchwad industrial belt on the outskirts of Pune. But the bulk of the initial investment came from the Maharashtra State Finance Corporation (MSFC) which extended a loan of Rs.2.5 lakh. Acknowledging his two-decade long experience in various foundries, the MSFC helped Basu under a scheme (now defunct) which gave loans of upto 90 per cent to technocrats. It was, however, a risky gamble. "So far MSFC has financed 45 entrepreneurs to such a large extent. Among them, only three companies have survived," says Basu.

Trinity not only survived, it flourished, right from day one. At the outset it started manufacturing connecting rods for the Pune based Kirloskar Oil Engines Ltd (KOEL). Basu got this order through his contacts in Bharat Forge who were already supplying to KOEL. But the big break came when Basu became a vendor to one of his ex-employers — Telco.

The automobile giant's new factory at Pune was about to go on stream and its development department was looking for suppliers of forgings. Who could fit the bill better than Basu? He had worked in the Telco forge shops at Jamshedpur for seven years. The company had also deputed him on a two-year training programme to West Germany with Daimler Benz, Telco's reputed collaborator. The association with Telco — with encouraging guidance coming from its ancillary development division — was a godsend for the budding venture. "Once I started supplying regularly to Telco, I was confident that I could survive in the industry," says Basu.

The big names queue up

Once the Telco order was in the bag, other mes like Bajaj Tempo and Ashok Leyland also became Trinity's clients. In the latter half of the seventies, turnover doubled each year. Along the way, the company added quality control labs and heat treatment facilities. In 1977, it added yet another big customer to the already impressive customer list: the defence factory at Jabalpur. To cater to the increased demand, Trinity set up a new 1,200-tonne plant in 1978 at Ahmednagar, about 150 km from Pune. The new facility helped Trinity achieve its best growth in a single year. In 1980, sales spurted from Rs.1.34 crore to Rs.3.2 crore.

The new plant was financed largely through internal accruals and partly through bank borrowings — a policy Trinity has been following all along. But within a year of the plant being set up, the company ran into massive problems. At a time when the entire forging industry was riding a boom, Trinity was crippled by a strike at its Ahmednagar unit. It was one of the many units affected by the Shiv Sena's attempts to dominate the trade union scene. The strike lasted for two months and, as Dipankar Basu, the founder's son and general manager of the Ahmednagar plant, says, "It was a severe setback for us."

The company not only suffered financially, due to sour labour-management relations, but also, after return of normalcy, it could not push ahead at the earlier pace. As a result, for the next three years, sales stagnated at Rs.4.5 crore per annum. As if this was not enough, an all-round recession set into the engineering industry in

IF YOU COULDN'T INVEST IN SPARTEK...
INVEST IN SPARTEK.

Introducing
SPARTEK GRANITES LTD.

After trail-blazing its way to the top, Spartek Ceramics, the leader in ceramic floor tiles in India now offers you a new investment opportunity – Spartek Granites Limited (SGL), Spartek's most ambitious project yet. Take a look at these impressive facts.

SPARTEK GRANITES – THE BIG ONE

- Promoted by Spartek Ceramics (India) Limited: Pioneers and market leaders in the ceramic tile industry.
- Innovative product with world-wide demand for industrial, commercial and residential applications – ceramic tiles with the strength and polish of granite.
- 100% EOU with a capacity of 7,50,000 sq.mtr. per annum in the first phase.
- Technical collaboration with world leaders Nassetti Ettore SPA, Italy – the first plant of its kind in India.
- Equity participation by William Hunt & Co. (International) Limited of U.K. – the overseas buyer.
- Buy-back arrangement to be backed by a bank guarantee for five years covering 60% of the production and an offer to assist in the exports of a further 15% of production.
- Commercial production scheduled to start in September/October, 1990.
- Benefits under Section 88A, 80L and 80M.
- Listing at Hyderabad, Bombay and Madras.

Located at Gudapakkam village, 35 Kms from Madras, the project entailing a cost of Rs. 19 crores is being partly funded by a simultaneous public issue of:

- **10,62,500 Equity Shares of Rs. 10 each.**
- **1,56,250 – 14% Secured Redeemable Partly Convertible Debentures of Rs. 160 each and**
- **2,75,000 – 14% Secured Redeemable Non-Convertible Debentures of Rs. 100 each, all for cash at par.**

Convertible Debentures with the face value of Rs. 160 each will have a convertible part of Rs. 80 – of which Rs. 20 will be converted into 2 Equity Shares of Rs. 10/- each, for cash at par on allotment. The balance of Rs. 60 will be converted into Equity between the 3rd and 4th years from the date of allotment at a price to be fixed by CCI.

The Non-Convertible portion of the Convertible Debentures i.e. Rs. 80 per debenture will be redeemed at par at the expiry of the 7th year from the date of allotment.

The Non-Convertible Debentures of Rs. 100 each will be redeemed at the expiry of 7th, 8th and 9th years with a premium of 5% on the face value.

I·S·S·U·E OPENS 19TH SEPT. 1990

SPARTEK GRANITES LIMITED

Regd. Office:
36-12-6 Santi Nagar, Vijayawada – 520 010 (A.P.)
Head Office:
89/8 Santhome High Road, Madras – 600 028.

Lead Managers to the Issue

* **SBI Capital Markets Limited**
Madras 600 002

CITIBANK
* **Citibank N.A.** Bombay 400 001.

100% EOU

6. Matters with the workers were out by giving them an average hike 00 per month. The company also uced a productivity-linked bonus. mpany then saw a fairly steady rise year, with sales doubling from 5 crore in 1986 to Rs.13 crore in 0. This year too, Trinity expects to good growth. In the first three s alone, sales have already crossed 4 crore mark, as compared to about rore in the corresponding period ar.

own innovation

ıs factors seem to have worked si-neously towards Trinity's success. it is true that the right kind of con-ıave helped — as is obvious from the and KOEL deals — it would not be to say that the quality of Trinity's cts and the engineering skills of its have also helped. "Basu has always a very innovative and enterprising ologist," acknowledges H.K. Firodia, man of Bajaj Tempo. "The accent of y Forge has always been on quality t has been a fairly successful com-" Basu, however, modestly attributes ccess to another factor: "Much of the should go to Maruti." He believes Maruti has brought in a quality revo-ı in Indian industry, the like of which ıever been seen before.

en competitors are lavish in their e for the entrepreneur. Says A.K. Pas-, managing director of Trinity Engi-s belonging to the Amforge group, ı is a peer in the field of forgings. One e most remarkable things about his ɔany is that it is always upgrading ıology." Again, Trinity Forge was ed by the fact that it happened to be in ight industry at the right time. A cou-f years after it came into being, there ı boom in the automobile industry to h Trinity was largely catering. The ɔany has also been quick to tap new ets like exports. Says K.G.K. Rao, di-r of Telco, "Trinity Forge is one of the ndian exporters of forgings. That ks for its high quality."

cording to Ranjan Banerjee, now a di-r with Trinity, the company has been aying its products at exhibitions ad since 1978. Banerjee is being ed in the export drive by Moushami , the promoter's daughter. Even gh the Pune company is relatively l in size, its desire to export stems Basu's German experience. "Having ed at Daimler Benz and having moved around quite a bit in other German companies, I was sure that with the quality of its products, Trinity could sell in the middle and lower segments of the markets in the US and Europe," says Basu.

This confidence was translated into a fairly decent sized export effort over the years. Today, the company exports about 20 per cent of its turnover. Trinity has been regularly supplying to the West German forging industry through the trading house USD Formteiltechnik. US buyers include Dana Corporation, O&S Manufacturing and Codema Inc. Says Steve Parker, Codema's vice-president, "The products that Trinity Forge has developed for us are second to none. In the future, our purchases from Trinity could grow even beyond our expectations."



Trinity's lab at Ahmednagar: accent always on quality

Jaguar prestige

Trinity was already supplying to British companies like Dana Spicer and Spenco Engineering when the GKN deal came along. "Today we are supplying three kinds of side gears and one axle shaft to GKN Axles. All these parts are fitted into the Jaguar," says Banerjee with obvious pride. The order — worth Rs.75 lakh per annum — may seem small but the prestige associated with it is incalculable. GKN Axles had conducted a quality audit on the Rs.800-crore Indian forging industry and Trinity Forge was the only Indian supplier which could pass muster.

Such achievements which could cause complacency in others, only seem to urge Basu on further. The next few years will see Trinity entering another growth phase dictated by both ambition and necessity. Capacity constraints are making it difficult to keep up with large orders from clients like Telco. Hence, on the anvil is a proposed Rs.20-crore project for which a 5-acre plot has already been acquired near Pune. For this, Rs.4 crore will be secured through a public issue some time in 1992. Talks are also on with some financial institutions and banks for the balance amount.

Here Basu would be departing radically from his own policy of financial prudence. But growth demands a re-thinking on old strategies. For the first time, a foreign collaborator is also being scouted for, since Trinity now proposes to enter the more advanced field of pressed forging. These are manufactured by only two other Indian companies and for which a large untapped market exists. Technology for this product is not available locally. Once the project is in full swing by late 1993, the total turnover of Trinity should touch Rs.100 crore, according to him.

When that happens, Basu will have realised yet one more dream. It will then be appropriate for the "man in a hurry" to sit back and enjoy the fruits of his toil. But will he?

■ ROOP KARNANI

MANAGEMENT DEVELOPMENT PROGRAMMES

XLRI INVITIES PARTICIPATION IN THE FORTHCOMING PROGRAMMES:

PERSONNEL MANAGEMENT
September 17-22, 1990
Venue: XLRI, Jamshedpur
Programme Director: Prof Renu Matto
Key Areas: The expanding role of human resource management.Recruiting and selecting the right employee for the right job. Human resources development and training.Maintaining positive labour relations. Setting and evaluating standards of performance. Career planning and succession planning.

Participation : Senior and middle level executives.

Fees: Individual Rs. 4500 Residential
Rs. 3800 Non-residential
Team (Per person, 3 or more attendees)
Rs. 4100 Residential
Rs. 3400 Non-residential

ISCE PROGRAMME IN EFFECTIVE EDUCATIONAL MANAGEMENT.
September 24 - October 5, 1990
Venue: XLRI, Jamshedpur
Programme Director: Fr. T. A. Mathias,SJ
Key Areas: Effective Communication.The Art of Persuasion.Giving Instruction.Behavioural Styles.Managerial Styles. Creativity in Educational Management. Selection Procedures.Motivation of Employees Management of Conflict Performance Appraisal.Employer employee Relation. Disciplinary Action. Integrated Problem Solving and Decision - making.Achievement Motivation.Management by Objectives.Value Education.
Participation: Principals of ISCE schools who are nominated by the Council.
Fees: Nominations Reserved

COMMUNICATION SKILLS FOR MANAGERS.
October 8-12, 1990
Venue: Bombay
Programme Director: Fr A C Jesurajan, SJ
Key Areas: Effective public speaking.Face to face communication.Effective listening.Persuasion skills Interviewing skills. Meeting/group problem-solving skills. Selling/presentation skills.Effective media appearance.
Participation: Seni or and middle level managers.
Fees: Individual Rs. 3900 Non-residential
Team (Per perrson, 3 or more attendees)
Rs. 3500 Non-residential

TOTAL QUALITY MANAGEMENT.
October 22-26, 1990
Venue: XLRI, Jamshedpur
Programme Director : Prof M V Madan
Key Areas: An Overview of "TOTAL QUALITY MANAGEMENT", Techniques and Aids for Quality Improvement,Statistical Quality Control Techniques. Creative Problem solving.Quality Improvement and Cost Reduction.Role of Quality in Purchasing.Role of Quality in Manufacturing.Role of Quality marketing. Relationship of Reliability and Quality,Design, Organisation and introduction of TQC.Training for Quality Mangement. Importance of Quality Circles in total Quality Management.

Participation: Senior and middle level managers.

XLRI JAMSHEDPUR

Fees: Individual Rs. 4200 Residential
Rs. 3600 Non - residential
Team (Per person, 3 or more attendees)
Rs. 3800 Residential
Rs. 3200 Non-residential

SERVICES MARKETING
October 29 - November 2, 1990
Venue: XLRI, Jamshedpur
Pogramme Director: Dr Mohan L Agrawal
Key Areas: Learning and getting used to the importance of service industries in India:Facts and Evidence. Comparing services with Product Marketing in respect of product tangibles and intangibles,Developing surefire ways and means for acquiring a relevant marketing orientation for your company and yourself.Mapping and profiting from the competitive environment for services in India.Designing winning service concepts and service offerings.Proceeding through the Service Life Cycle and mastering the response strategies,
Participation: Senior and middle level executives.
Fees: Individual Rs. 4200 Residential
Rs. 3600 Non-residential
Team (Per Person, 3 or more attendees)
Rs. 3800 Residential
Rs. 3200 Non -residential

FINANCIAL MANAGEMENT.
November 19-23, 1990
Venue: XLRI, Jamshedpur
Programme Director: Prof Bigyan P Verma
key Areas: Financial Environment and strategy,Accounting policies and practices in India.Cash flow and funds flow techniques. Accounting window dressing and its remifications.Working capital financing decision,Capital Expenditure Planning and control.Role of Computers in Financial Decision Making with spread sheet like lotus 1-2-3.Financing Strategy and Lease Financing,

Participation: Middle level finance executives from private and public enterprises, Chartered Accountants and Cost Accouuntants, and Managers.
Fees: Individual Rs. 4200 Residential
Rs. 3600 Non-residential
Team (Per person, 3 or more attendees)
Rs. 3800 Residential
Rs. 3200 Non-residential

MANAGERIAL SKILLS FOR EMPLOYEE COUNSELLING
November 26-30, 1990
Venue: XLRI, Jamshedpur
Programme Director: Fr K Cyriac
Key Areas: The Manager as a bare foot counsellor. Helping relationship. Interviewing and listening skills. Performance counselling Managing stress, absenteeism, conflicts.Groups counselling.
Participation: Senior and middle level managers.
Fees: Individual Rs. 4200 Residential
Rs. 3600 Non-residential
Team (Per person, 3 or more attendees)
Rs. 3800 Residential
Rs. 3200 Non-residential

expression

Please Contact : Prof. Renu Mattoo MDP Coordinator **XLRI** - Post Box No.222 **JAMSHEDPUR** - 831 001
Gram : EXCEL Telex : 626-240-XLRI - IN Phone : 25231/32/33 Fax : (0657) 27814

ots

st improvement in performance; ins under pressure; dividend ed up 7 points; new formulation t at Jejuri expected to start by 1990

19 per cent higher turnover, the pany has managed a modest 10 per increase in gross profits followed by er cent higher bottomline.

fit margins were under pressure tood lower at 14.57 per cent against per cent recorded last year. This due mainly to increased raw mate- cost of Rs.32.36 crore (25.40 crore) owing a sharp rise of 27 per cent and ompetitive conditions prevailing in omestic market.

xports stood slightly lower at Rs.0.76 against Rs.1.13 crore recorded last This was due to disturbances suf-

ots India			(Rs crore)
ended	31 Nov 1990	31 Nov 1989	% difference
ales	64.54	54.13	19
r income	2.38	1.74	37
l income	66.92	55.87	
materials cost	32.36	25.40	27
ries & wages	12.14	11.36	
rest	1.38	0.88	57
s profit	9.34	8.49	10
reciation	1.13	1.14	
tion	3.47	2.93	18
profit	4.74	4.42	7
ity capital	8.10	8.10	
reserves	11.06	8.76	
dend (%)	30.00	23.00	
ket price (Rs)			
:	110		
-90: High	148		
Low	90		

l in Sri Lanka which consistently af- d overseas supplies.

owever, company has managed to its average collection period at 22 , the same as last year. The EPS for current year works out to Rs.5.85 nst Rs.5.45 recorded in 1989. The av- e dividend payout is higher at 51 per against 42 per cent last year. Mean- e, the company's merger products — en, Insulin and Burnol continue to orm well. It has also successfully ched new products like Sweetex pow- The new plant at Jejuri for manufac- ng formulations is expected to commence operation by the end of this year.

The company's share presently quoted at Rs.100 discounts its latest earnings by 17 times against the industry average of 20 times.

Colour-Chem

Profits down; July 1989 floods affect performance; dividend maintained; Hoechst AG strengthens foothold

Colour-Chem is one of the leading manufacturers of organic dyestuffs, pigments, intermediates for dyes, pesticides and pharmaceuticals. The company which started 30 years ago has two factories in Thane and Roha in Maharashtra.

During the year ended March 1990, Colour-Chem's net sales went up by 11 per cent to Rs.96.61 crore. Its sales realisation per tonne of synthetic dyestuffs and pigments also went up six per cent. But the company's gross profit at Rs.5.83 crore was about 10 per cent lower than that of the previous year and net profit

Colour Chem Ltd			(Rs crore)
Year ended	31 Mar 2990	31 Mar 1989	% change
Net sales	96.61	86.46	11.7
Other income	4.17	4.56	– 8.5
Excise duty	16.07	15.30	4.7
Raw materials	57.61	51.81	11.2
Salaries & wages	11.55	9.84	17.4
Interest	5.53	5.01	10.4
Other expenses	22.99	20.82	10.4
Gross profit	5.83	6.46	– 9.7
Depreciation	2.43	2.39	1.7
Taxation	1.05	1.05	—
Net profit	2.36	3.02	– 21.8
Share capital	7.94	7.94	—
Reserves	14.15	13.48	4.9
Gross block	51.20	49.18	3.1
Dividend (%)	22.00	22.00	—
Market price: (Rs)			
Current	610		
1989-90: High	825		
Low	410		

(after tax) at Rs.2.36 crore was 22 per cent lower.

The main reason for the lower profits, was the floods during July 1989 which damaged its Roha plant. This plant had to be closed for six weeks. "The loss of valuable raw material, finished goods washed away by the floods, the cost of extensive repairs of plant and machinery, the reinstatement of some capital items and loss in production have caused a decline in the company's profits," says the director's report. The total loss (not including production loss) was Rs.1.75 crore.

The company's profits were also lower due to a 11 per cent increase in raw material cost and a 17 per cent increase in employees' cost. Its borrowings during the year shot up and, as a result, the interest cost went up by 10 per cent. Despite lower profits the company maintained its dividend at 22 per cent.

During the year there were also changes in Colour-Chem's shareholding pattern and its marketing arrangements. A share of 16.4 per cent of the company's equity held by Bayer AG has been transferred to Hoechst AG. The latter's holding thus went up to 32.8 per cent and it became the single largest shareholder of the company. The company has also switched from the system of marketing through wholesale selling organisations to direct sales. This change is expected to improve profits by way of higher margins.

Profits during the current year is also expected to be better due to normal functioning of plants and rapidly growing demand from the textile industry. The export demand for dyestuff too is growing quickly. Last year, at Rs.16.75 crore (FOB) exports were 54 per cent higher than the previous year and in the current year it is expected to be even higher.

MRF

Declining profits; increased borrowings; exports on the rise; current year's outlook brighter

In collaboration with Mansfield Tyre & Rubber Co USA, MRF is engaged in the manufacture of automobile tyres. Their range of tyres include light truck tyres, two-wheeler tyres, tractor, bicycle and jeep tyres. In the last quarter of the eighties, the company managed to earn for itself the position of a market leader.

For the year ended March 1990, the company has notched a 15 per cent rise in turnover on an annualised basis, despite labour problems that caused trouble in its Tiruvottiyur and Kottayam units. This improved performance however, is not reflected in its profits. Perhaps, this could be attributed to the increase in the cost of raw materials, depreciation and the increased interest burden. The secured

loans obtained from banks almost doubled amounting to Rs.76 crore (Rs.39 crore). This increased the financial charges levied on the company.

While profits have declined over the previous corresponding period, exports have gone up by 54 per cent amounting to Rs.66 crore. Also MRF, has bagged the

MRF			(Rs crore)
Year ended	31 Mar '90	31 Mar '89*	% change†
Sales	571.40	742.47	15
Other income	2.18	1.44	127
Total income	575.09	744.71	16
Raw materials cost	266.33	335.57	19
Employees' cost	20.51	27.29	12
Interest	14.72	15.21	45
Gross profit	32.09	55.60	-13
Depreciation	13.24	15.93	25
Taxation	6.50	14.65	-33
Net profit	12.35	25.02	-26
Share capital	3.35	3.85	
Reserves	54.94	44.84	
Dividend (%)	60.00	90.00	
EPS (Rs.)	32.5	43.86	
Market price (Rs.)			
Current	310.00		
1990 — High	340.00		
Low	175.00		

†Annualised *18 months

CAPEXIL award for exports for the fifth successive year. The increased exports have earned for MRF export incentives to the tune of Rs.1.50 crore (Rs.0.74 crore) besides reducing tax provisions.

With several diversification projects underway, the company is looking forward to brighter prospects this year. Already, the production for the first three months of the current year is pegged at Rs.162 crore (Rs.130 crore) and sales at Rs.148 crore (Rs.128 crore) respectively. The company had launched Zigma, the new age radial tyre during the World Series for the Jawaharlal Nehru Cup.

The company has tied up with the world's largest toy maker — Hasbro of USA, to introduce the Funskool series. This was set up as a subsidiary — Funskool (India), but with accumulated losses of Rs.1.07 crore, it has yet to take off. MRF's Vapocure project, which offers specialty polyurethane paint formulations that can be rapidly cured at room temperature is well underway. This is not all. The fifth unit at Medak, Andhra Pradesh will soon begin production to make 1.5 million automotive tyres and tubes annually. MRF is also aggressively pursuing active trade connections with 55 countries worldwide to not only export tyres but also make large volumes of marine products, finished leather goods, spices and cashew. This would increase its foreign exchange earnings and improve the bottomline tremendously. Meanwhile, technical collaboration with Uniroyal Goodrich Tire Co USA has been approved by the Central government.

Glaxo India

Change of name from Glindia Ltd to Glaxo (I) Ltd; severe pressure on profit margins; new facilities for production of cephalexin completed; dividend maintained on an annualised basis

Glaxo (I) Ltd has announced moderate improvement in its performance for the year ended March 1990.

On an annualised basis, net sales during this period was higher by 12 per cent, with gross profits up by 15 per cent, but the

Glaxo India			(Rs crore)
Year ended	31 Mar '90	31 Mar '89*	% change†
Net sales	292.03	194.99	12
Other income	15.55	7.62	
Total income	307.58	202.61	
Raw materials cost	160.79	104.07	16
Employees' cost	36.71	25.92	
Gross profit	23.32	15.25	15
Depreciation	8.11	5.23	16
Taxation	4.67	2.42	
Net profit	10.54	7.60	4
Share capital	20.00	20.00	
Reserves	40.17	31.85	
Dividend (%)	27.00	20.00	
Earnings per share (Rs.)	5.27	3.80	
Market price (Rs.)			
Current	100.00		
1990 — High	123.00		
Low	84.00		

*9 months †annualised

bottomline was only marginally higher by just 4 per cent, on account of a higher depreciation and tax provision of Rs.8.11 crore (5.23 crore) and Rs.4.67 crore (2.42 crore) respectively. The earnings per share works out to Rs.5.27 against Rs.5.10 on an annualised basis with dividend payout measuring up to 5.1 per cent (5.3 per cent).

Other income at Rs.15.15 crore showed a sharp increase of 53 per cent on an annualised basis (Rs.7.62 crore). Gross profit margins were slightly better at 7.98 per cent against 7.82 per cent in the prev year while net margins were pla slightly lower at 3.60 per cent against per cent last year. Price realisation food products, tablets and capsules proved by 7 and 5 per cent respective

Exports during this period was hi by 11 per cent on an annualised b amounting to Rs.7.54 crore (Rs.5.08 c in the previous 9 months). The compa average debtors' collection period been maintained at 17 days (18 days). average inventory period is also redu from 115 to 83 days in the current ye

But, during this period, the company curred capital expenditure amountin Rs.24.25 crore which was spent mainl the creation of new facilities at Ankle war for manufacturing bulk drugs cephalexin and griseofuling. This is complete and trial runs have rec menced.

In the range of pharmaceuticals, products launched included phexin neocef antibiotic syrups, and betne forte tablets. In the food products cate ries, two new products, namely Comp mango and lime sip were also introduc

Products from the company's joint s tor project in Uttar Pradesh Vegep Foods and Feeds Ltd have received a go response. Likewise, Hindustan Foods and K.G. Gluco Biols Ltd, both promo by Glaxo are also expected to fare well the near future.

However, the government has lodge claim for Rs.66.35 crore from the co pany, for overpricing the betamethaso formulations. The company has deni these charges and has filed a writ petiti in the Delhi high court challenging t government's claim.

The government, meanwhile, is cons ering moving more drugs under price co trol. This has made prospects for the dr industry appear uncertain. The sha market has discounted this fact, a Glaxo's share price has remained sta nant at around Rs.100. The scrip is at pr sent discounted 19 times against t industry average of 20 times.

Crompton Greaves

Encouraging performance; sharp jum in other income; exports register furth growth; maintains dividend on post b nus equity capital

Crompton Greaves, a Thapar group com pany engaged in the manufacture of ele

CD Trousers

a fitting compliment to CD shirts



CD Trousers

with the Italian

Available only at

Charagh Din

64 81, Wodehouse Road, Colaba, Bombay.

NOWHERE ELSE

There are no branches or dealers & sub dealer
No agents or representatives appointed by us

AMOL BOSE ADVTG. 08290

trical and electronic equipment, has posted encouraging results for the year ended March 1990.

On an annualised basis, the company's gross turnover increased by 20 per cent with gross profits showing a quicker growth of 38 per cent. However, the bottomline could show only a moderate improvement of 27 per cent, mainly due to a more than 100 per cent hike in tax provision.

Crompton Greaves			(Rs crore)
Year ended	31 Mar '90	31 Mar '89*	% change†
Gross sales	510.37	320.22	20
Other income	6.94	3.00	74
Raw materials cost	301.98	183.94	23
Employees' cost	58.95	42.01	
Interest charges	22.56	13.52	25
Gross profit	27.26	14.82	38
Depreciation	7.18	4.77	
Taxation	7.00	2.30	129
Net profit	13.08	7.75	27
Equity capital	19.20	9.60	
Reserves & surplus	38.83	39.08	
Dividend (%)	18.00	18.00	
Market price (Rs.)			
Current	1125.00		
1990 — High	1150.00		
Low	900.00		

†Annualised *9 months

The earnings per share on the post bonus equity base of Rs.19.20 crore after the latest bonus of 1:1 announced last year, works out to Rs.68.12 (Rs.136.25 on pre-bonus equity capital) against Rs.107.60 earned on an annualised basis last year.

Dividend was maintained at 18 per cent. This works to an attractive 36 per cent on the pre-bonus equity, with an average dividend payout at 26 per cent (23 per cent).

Gross margins showed a slight improvement from 4.62 per cent to 5.34 per cent, mainly due to higher price realisations from products like transformers, circuit breakers, motors and electric fans, coupled with other cost-effective measures adopted by the company.

The average debtors' collection period has also reduced from 145 to 117 days. Exports showed an annualised growth rate of about 10 per cent to Rs.33.40 crore (Rs.30.34 crore on an annualised basis). Meanwhile as a part of the company's diversification programme, three new units which include a telematics unit at Goa, and two units at Pitampur for manufacturing television receivers and signalling systems were commissioned during the year.

The share quoted at Rs.1,050 (cum rights) is discounted 15 times against the industry average of 17 times.

Tube Investments

Margins under pressure; heavy capital expenditure in existing plant completed; exports show sharp improvement; dividend maintained on post rights equity capital

Tube Investments of India, a south-based company, managed by the low profile Murugappa group, has reported disappointing working results for the 15-month period ended March 1990.

On an annualised basis, although the company was able to record a 14 per cent jump in gross turnover, the gross profit showed a marginal 2 per cent decline with the bottomline down by 16 per cent.

Profit margins were under pressure and were placed slightly lower at 6.08 per cent

SIMPLY THUNDERING WITH POWER



against 7.11 per cent recorded last year. Fierce competitive conditions in the domestic market and a sharp 22 per cent spurt in raw material costs were primarily responsible for the erosion in margins.

Tube Investments *(Rs crore)*

Year ended	31 Mar '90*	31 Dec '89	% change†
Gross sales	235.66	165.03	14
Other income	2.11	1.32	
Total income	237.77	166.35	
Raw materials consumed	144.00	94.80	22
Employees' cost	17.51	12.94	
Interest	10.59	7.38	15
Gross profit	14.34	11.74	-2
Depreciation	5.70	3.88	18
Tax	3.00	2.50	
Net profit	5.64	5.36	-16
Equity capital	6.76	5.73	
Reserves & surplus	30.02	25.25	
Earnings per share (Rs.)	6.67†	9.35	
Dividend (%)	30.00	24.00	
Market price (Rs.)			
Current	70.00		
1990 — High	73.00		
Low	41.00		

†Annualised * 15 months

Interest overheads were also higher by 15 per cent due to heavy capital expenditure incurred by the company, with additions to plant and machinery amounting to Rs.15.98 crore in this period. Meanwhile, the rights equity issue made to existing shareholders, for financing its capital expenditure programme, was well received.

The cash earnings per share (CPS) on the post rights equity capital works out to Rs.16.77 (annualised Rs.13.40) against Rs.16.12 earned on the pre-rights equity base last year. Dividend maintained at 24 per cent on an annualised basis has resulted in an average payout of 36 per cent (26 per cent).

Exports during this period showed a sharp improvement from Rs.1.89 crore in 1988 to Rs.4.95 crore — higher by 236 per cent on an annualised basis. The company has reached out to overseas markets, mostly in European and African countries.

As a measure of diversification, the company has decided to undertake projects involving use of tubes and metal sections on a turnkey basis. The company's share price has remained steady at around Rs.70, for a long time and is, at present, discounted 10 times against current earnings.

TRENDS

Spartek Ceramics

Spartek Ceramics, the industry leader with a 45 per cent market share on an all-India basis has been under the weather as is clear from the results of its recent six-monthly period ended March 1990. Fierce competition from newly set up units in various states was chiefly responsible for this. But, despite all odds like increasing raw materials' cost as a percentage of sales, the company has increased its sales by 16 per cent over the preceding six months ended 30 September 1989.

Nevertheless, the net profit on an annualised basis was more or less maintained in spite of the increased interest cost. Recent reports indicate that the company's new product — Wallscapes — has evoked

GENIUS 486

WIPRO

The Genius 486 is sheer horsepower. Twice as powerful as any AT 386! It's the new speed breed when it comes to response time and throughput (zero wait-state operation). It strides ahead on number crunching (twice that of 80386 + Weitek 3167), is unbridled on software (running powerful RDBMSs like ACCELL, INGRES, ORACLE, SYBASE), saddled and ready with multi-user facilities and simply racing ahead on futurability.

Genius 486. It's setting a thundering pace.

The Genius 486 is of pedigreed stock. It comes to you from Wipro. The trusted name in computers. Innovator and pace-setter. The company that's a byword for technical capability and complete customer satisfaction.

A real thoroughbred.

Genius 486
The supermicro with tremendous horsepower

WIPRO INFORMATION TECHNOLOGY LIMITED
88 Mahatma Gandhi Road
Bangalore 560 001
Tel: 569622

80386, Weitek 3167, ACCELL, INGRES, ORACLE and SYBASE are the registered trademarks of Intel Corp., Weitek Corp., Unify Corp., Ingres Corp., Oracle Corp. and Sybase Inc., respectively

HTA 9175 B

AN OFFICE SYSTEM WITH MANY

MINUS POINTS

minus dust

minus noise

minus ageing

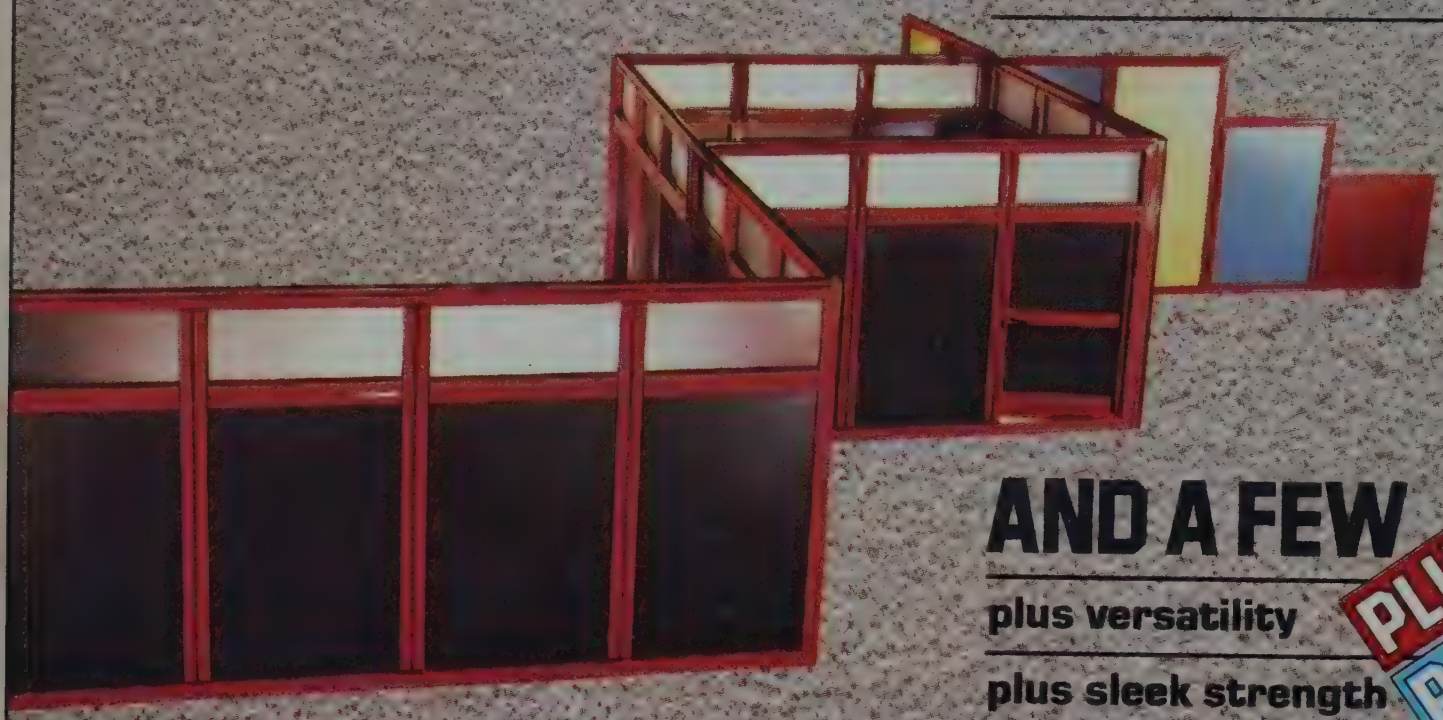
minus warping

minus energy loss

minus maintenance

minus installation problems

minus all excuses for inefficiency



AND A FEW

PLUS POINTS

plus versatility

plus sleek strength

plus stunning looks

SECCOLOR SYSTEMS

Partitions, Doors, Windows, Railings

Write for a detailed colour brochure

Seccolor

Seccolor Office Systems, sculpted in steel. Designed in Italy. Perimetrally weather-stripped to seal in energy, peace and efficiency. Prepainted with non-fade, non-peel colours. Pretreated to remain rust-proof for life. Precision engineered to perform perfectly. Absolutely maintenance-free. Strikingly attractive. And surprisingly economical in the long run.

• Choice of 5 colours in profiles • Unlimited choice in panels.

NCL Seccolor Ltd (In collaboration with Industrie Secco S.p.A. of Italy) Raghava Ratna Towers, Chirag Ali Lane, Hyderabad 500 001. Tel: 240562/241769.

Offices: BOMBAY: Tel: 527940; BANGALORE: Tel: 234858; MADRAS: Tel: 8252642; DELHI: Tel: 654041/616887.

Fabricators: AHMEDABAD: Tel: 445969/409012; BOMBAY: Tel: 595973/500827; BANGALORE: Tel: 568979; COIMBATORE: - NEW DELHI: Tel: 654041; HYDERABAD: Tel: 242590/895543/236882/236878; MADRAS: Tel: 8252642; VIJAYAWADA: Tel: 74410; VISAKHAPATNAM: Tel: 57020/57796; BHUBANESHWAR: Tel: 57367; CALCUTTA: Tel: 755265.

Sista's-NCL-165/90-B

The Smart People's Computers

When you expect to use your computer for many years, day in and day out, what you look for is Performance, Quality and Service. Over the years you realise these are so much more important than the price you paid for your computers. High Performance translates as shorter response times, which means you have more of your valuable time for other important activities. This represents a lot of money over the years. Good Quality translates as fewer problems or breakdowns, and Good Service ensures that when problems or breakdowns do occur, their effects are kept to a minimum. This also represents a lot of money saved over the years.

Smart People know and appreciate the value of Performance, Quality and Service, and know that it represents much more money than a few percents "saved" on the purchase price of a computer.

Aurelec is in its 11th year of selling Smart Computers to Smart People.

Aurelec: Quietly building the best.



aurelec
data processing systems

Archana Centre, 29 Mount Road
MADRAS - 600 018
Tel: 418051, Telex: 041-21008 ADPS IN
Fax: 413-3867

AURELEC DATA PROCESSING SYSTEMS A PROVEN ... • BANGALORE ... • COIMBATORE ... • MADRAS ... • MADURAI ... • NEW DELHI • PONDICHERRY ... • TRICHY ... • ... SERVICES COIMBATORE ... • COMPUTER HOUSE NEW DELHI ... MADRAS ... • ... MADRAS ... • ... MADRAS ... • ... MADRAS ...

a good response from the market.

Spartek is currently floating a new company — Spartek Granites Ltd (SGL), a 100 per cent export oriented unit, to manufacture ceramic tiles with a granite finish. "The product although identical to natural granite is in fact superior in terms of strength, hardness, resistance to abrasion and chemical action. Even pricewise it will be less than half the cost of polished granite, at Rs.60.65 per sq ft as against Rs.150-200 for natural granite," explains Krishnaprasad Tripuraneni, managing director, Spartek Ceramics.

SGL is promoted by Sparta Holdings, an associate company and William Hunt & Co (International) who are marketing and financial consultants operating in Europe and USA. William Hunt will invest US $ 500,000 in SGL's equity besides buying back 60 per cent of the production. "The buy-back arrangement is at a fixed minimum floor price, besides a bank guarantee. This is for a period of five years," says Krishnaprasad. SGL's technical knowhow will come from Nassetti Ettore SPA, one of the only two in the world who use this technology.

Spartek Ceramics *(Rs crore)*

	Oct 89-March 90	Apr 89-Sept 89	July 89-March 89
Gross sales	14.59	12.56	15.69
Other income	0.72	0.27	0.52
Total income	15.31	12.83	16.21
Raw materials cost	2.60	1.97	1.89
Salaries and wages	0.37	0.30	0.43
Interest	1.54	0.91	1.11
Gross profit	2.83	2.93	3.93
Depreciation	1.14	0.92	1.40
Taxation	0.28	0.30	0.39
Net profit	1.41	1.71	2.13
GP/Gross sales (%)	19.39	23.31	25.04
RM/Gross sales (%)	17.82	15.68	12.04

RESULTS ANNOUNCED

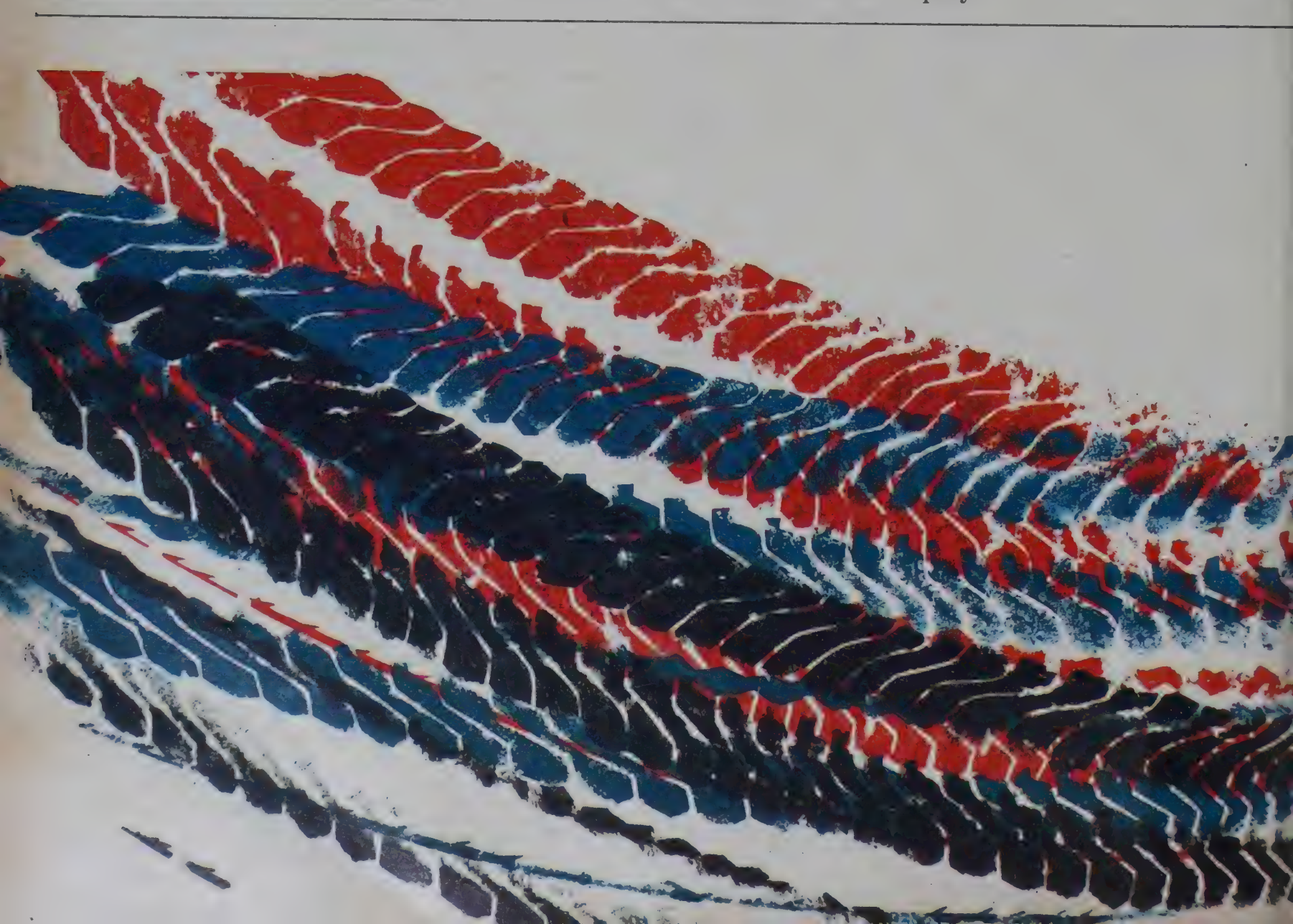
Apple Industries

Apple Industries, which is engaged in the finance and computer business, has crossed the Rs.20 crore turnover mark at Rs.21.12 crore for the 15-month year ended 30 June 1990. On an annualised b this amount is up by an impressive 12 cent. The earlier accounting period sisted of 18 months.

After providing Rs.3.02 crore (Rs. crore) for depreciation, at net levels profit is Rs.5.57 crore (Rs.2.1 crore). has prompted the company to pay a point (on an annualised basis) higher idend at 32 per cent for the period u review.

Incidentally, both the finance and c puter divisions contributed significa to the growth of the company. Within computer division, the company has ware development and computer trai centres at 10 locations. The compa planning for 28 more franchise cen during the current year.

Meanwhile, Apple has obtained clearances for setting up a wholly ow subsidiary called Hexaware Info Syst Ltd in the Santacruz Electronic Ex Processing Zone (SEEPZ), Bombay. will be a software export unit with a vestment of Rs.10 crore and heade Minoo Mody who recently became a m ber of the board of directors of the c pany.



ID Parry (India)

D Parry (India) — which is engaged in ersified activities ranging from the nufacture of chemicals, fertilisers and gar to engineering products — has re-rted a 7 per cent (annualised) increase its turnover to Rs.188.80 crore for the nonth year ended 31 March 1990. After counting for depreciation and interest, e profit is up by 11 per cent (annualised) Rs.10.20 crore (Rs.12.23 crore), but h the almost doubled tax provision of 5.10 crore (Rs.2.82 crore), the net ofit has dropped by 28 per cent to 6.89 crore (Rs.10.69 crore).

A noteworthy point is that the annu-sation of the 9-month profit figure may t reflect the correct picture, as most of e sugar and fertiliser sales occur during e period of nine months ended March. vertheless, on an annualised basis, divi-nd is up 5 points to 22.5 per cent.

Currently, work on the expansion of the llikuppam sugar factory and modern-tion of the Ennore plant is in progress. fact, the production of fertilisers at En-re has reached an all time high of 71,097 nnes for the nine months under review.

The company has applied for the setting up of new projects — an ammonia urea plant, a vinyl acetate monomer related polymers plant and a sugar factory. Government clearances are still pending for these projects.

IN BRIEF

Deepak Nitrite has obtained clearances for the products comprised in phase I of the nitroaromatics project being implemented at Nandesari. The capital cost of phase I is estimated to be Rs.41 crore.

Dynasty Leasing is planning to diversify into manufacturing for which it has acquired a unit. The company plans to raise the equity capital to finance this diversificatjon.

Midland Industries has launched an expansion programme to process types of seeds and oil cakes in its agri-business division.

Foods & Inns has declared a bonus in the ratio of 1:1. On an annualised basis the company's turnover has jumped by 39 per cent to Rs.13.77 crore. It has recently diversified into the manufacture of natural fruit pulp, processing of canned vegetables in brine and curried vegetables.

Modern Suitings has signed a MOU with UK-based Hasteclear for marketing 4.80 million tonnes of denim fabric per annum.

Bihar Sponge Iron (BSI), promoted by the Modis and Bihar State Industrial Development Corporation, along with Lurgi, W. Germany, is re-entering the capital market with a rights issue at par aggregating Rs.4.31 crore. In the first year of operation the company has achieved over 80 per cent capacity utilisation. BSI is now enhancing its capacity by 100 per cent to 300,000 tonnes per annum.

Nuchem Plastics, in technical collaboration with Sunds Defibrator AB, Sweden, is setting up a project to manufacture 39,000 tonnes per annum (tpa) of medium density fibre board at Tohana in Hissar district. A rights issue will be introduced to finance this project.

Kajaria Ceramics, manufacturers of fired glazed wall and floor tiles, has successfully completed its expansion programme. With the latest technology in use, the cost of production is expected to drop substantially.

RUNNING A MULTI-MILLION KILOMETRE MARATHON FOR INDIA

Goodyear's Power Cushion has already logged over 50,000 million kilometres on Indian roads. And even a decade after it was introduced, is still the most wanted nylon tyre. That's because Goodyear's advanced technology constantly upgrades its tyres over the years to match changing conditions.



Though your journey be long, in the end you can rely on Goodyear to drive you home safely.



GOODYEAR

TAKE ME HOME

What did Flo Jo of the U.S. say to the Skypak Man?

"And you thought, you were the only one who could smile while moving at record-breaking speed?"



We'll deliver. Wherever on earth. SKYPAK **The worldwide couriers.**

Skypak House, Off M. Vassanji Road, Marol, Andheri (E), Bombay 400 059.

Avenues:SC:568 9

BPL Sanyo Technologies

PL Sanyo Technologies is an existing rofit making company of the Rs.450 crore PL (India) group. The company manuctures radio cassette recorders and auo systems based on Sanyo technology at lghat and Bangalore. The company has n-going technical support from Sanyo, pan. For the year ended March 1990, the mpany recorded sales of Rs.15.95 crore ith a net profit of Rs.44 lakh.

Currently, BPL Sanyo Technologies will e setting up a manufacturing facility with n initial capacity of 500,000 radio cassette recorders at Bangalore, besides exanding the Palghat unit's capacity to 00,000 pieces. While both units will be

BPL Sanyo Technologies	
ssue opens	: 5 September 1990
ize of issue	: Rs.27.21 crore
o Indian public	: Rs.17.39 crore
nstrument	: Equity shares of Rs.10 each, 12.5 per cent convertible debentures of Rs.150 each and 14 per cent non-convertible debentures of Rs.100 each
romoters	: BPL (India) group
roject	: Setting up an export oriented unit (EOU) to manufacture radio cassette recorders, musical systems, compact disc players and TV sets, also increasing capacity to cater to local markets
ost of project	: Rs.33.00 crore
lant locations	: Doddaballapur (AP), Bangalore and Palghat (Kerala)
isting	: Bangalore, Bombay, Cochin

anufacturing the same range, produc-on at the Bangalore unit (an EOU) will ly cater to exports (for which Sanyo, Ja-n has signed a five-year buy back agreeent) whereas the Palghat unit will offer entire production to the Indian market. us, the Indian market will be flooded th international models.

The Palghat unit has already comenced upgradation and the increased pacity will be achieved by the end of 90. However, the EOU will take another ar to commence production; this would add over Rs.50 crore to the group's turnover in the first year itself. The cash break even for the EOU is placed at 39 per cent of capacity utilisation.

In India, the audio market is currently estimated at four million sets per annum, that is, an annual growth rate of over 20 per cent. "In fact it has hardly penetrated into rural areas, which BPL plans to tap with its 2,000 dealer network all over India", says TPG Nambiar, chairman of the group.

Meanwhile, as the company is already in the electronics field, ranging from computers to consumer electronics, it plans to enter the microwave oven and refrigerator market in the near future. "We will not enter the airconditioning segment," says M.A. Uppal, the company's managing director.

Gujarat JHM Hotels

Gujarat JHM Hotels, a Rs.2.33 crore venture, is a new company with 42 per cent equity participation by Non-Resident Indians (NRIs). Of this, the JHM group alone will invest Rs.2 crore and will hold 62 per cent of the equity.

JHM Enterprises Inc of USA is owned and controlled by a family of five NRI brothers, based in Southern California, with total assets worth $43 million. The group, which has been in the hotel business for over 15 years, owns and operates 1,600 rooms in 17 different locations, spread over eight different states in the US, besides affiliations with Days Inn, Roadways Inn, Travel Lodge and Hampton Inn. The group is also engaged in the manufacture of bedspreads and diapers.

Gujarat JHM Hotels	
Issue opens	: 10 September 1990
Size of issue	: Rs.1.80 crore
To Indian public	: Rs.1 crore
Instrument	: Equity shares of Rs.10 each, of which Rs.5 payable on application and balance due on allotment.
Promoters	: JHM Hotels Inc, a subsidiary of JHM Enterprises Inc, USA and Gujarat Industrial Investment Corporation (GIIC).
Project	: To set up a four-star luxury hotel called the Rama Regency.
Cost of Project	: Rs.11 crore
Location of Hotel	: Banks of river Tapti, Surat
Listing	: Bombay, Ahmedabad

The group will be commencing its hotel operation in India with the setting up of Rama Regency. In fact the managing director of Gujarat JHM Hotels, Denu P. Rama, one of the five brothers, has given up his NRI status to look after the day to day affairs of Rama Regency, which will open this month.

Initially Rama Regency will have 140 airconditioned rooms, equipped with all amenities required by a businessman. Denu Rama expects the occupancy rate to be 65 per cent in the first year, and, with room rentals pegged between Rs.700 to 800, turnover will be a shade less than Rs.4 crore. Another 84 rooms, besides a health club, swimming pool etc will be added during the second phase, expected to be completed by January 1991.

"The reason for coming to India" explains Denu Rama "is that we noticed during our frequent trips to India, that the Industry was in its infancy and had not come up to a level to satisfy people's needs. Hence, the opportunity is tremendous. Gujarat JHM is also planning similar projects in other metros in the country."

According to Hasmukh P. Rama, chairman and chief executive officer of JHM enterprises of USA, "The hotel industry in the US is mature and technologically advanced and caters to different customer needs. Even US lodging is highly refined. We therefore felt the need to set up similar projects in India."

The location of the hotel is also ideal — apart from being the city of glittering diamonds, it is also emerging as the nerve centre of many industries, with giants like RPL, ONGC, NTPC, L&T and others, setting up large projects in and around Surat.

BCC Fuba

BCC Fuba is a joint venture company with equity participation from the technical collaborators, Fuba Hans Kolbe of West Germany, and DEG, a West German financial institution. Both together will invest Rs.76 lakh which accounts for 21 per cent of the company's equity. DEG in addition has given a DM 2,000,000 long term loan.

The company plans to manufacture three types of PCBs to cater to the core sectors of the electronics industry. The total installed capacity of 23,400 sq m consists of multilayer boards — 300 sq m,

BCC Fuba	
Issue opens	: 4 September 1990
Size of the issue	: Rs.1.80 crore
To Indian public	: Rs.0.42 crore
Instrument	: Equity shares of Rs.10 each
Promoters	: V. Sagar Bhagat together with Fuba Hans Kolbe, W. Germany, and DEG, W. Germany
Technical collaborators	: Fuba Hans Kolbe, W. Germany
Project	: To manufacture professional grade printed circuits boards (PCBs)
Cost of project	: Rs.9.39 crore
Plant location	: Solan, HP
Listing	: Ahmedabad, Bombay, Calcutta and Delhi

double-sided PTHs (plated through holes) — 14,600 sq m and single-sided PCBs — 5,800 sq m.

Fuba has been engaged in the manufacture of PCBs for the last four decades. As part of the technical collaboration agreement, Fuba will select the capital equipment and raw material, and transfer all product improvement to the Indian venture from time to time.

"PCBs are essentially replacements for point to point wiring systems and form a basic component of all electronic devices — the heart of electronic equipment", explains V.S. Bhagat, the company's chairman and managing director.

The estimated demand for PCBs depends on the growth of the electronics industry. The Eighth Plan, places demand for PCBs at around Rs.300 crore. According to Bhagat, the company will operate at 40 per cent capacity in the first year (1990-91).

BCC Fuba will commence trial production by September 1990 and start commercial production within two months.

Oswal Spinning & Weaving Mills

Oswal Spinning & Weaving Mills set up in 1955 is an existing profit making company.The company is presently engaged in the manufacture of textiles, vanaspati and alloy steel castings at its plants at Ludhiana and Jugiana in Ludhiana district in Punjab. The company has a registered office at Ludhiana and has been paying dividend regularly since 1986. For the year ended March 1990, the company's turnover was Rs.35.08 crore and profit after tax, Rs.68 lakh.

There is a proposal to expand its vanaspati capacity from 25 tonnes per day (tpd) to 50 tpd at a cost of Rs.9.42 crore and also to set up a new solvent extraction plant of capacity 200 tpd as part of the backward integration programme for vanaspati manufacture. This is to cost Rs.4.16 crore. To part finance both projects expected to be operational by November 1990, the company will come up with a convertible debenture issue for Rs.7.69 crore.

Oswal Spinning & Weaving Mills	
Issue opens	: 10 September 1990
Size of the issue	: Rs.7.67 crore
To Indian public	: Rs.2.55 crore
Instrument	: Convertible debentures of Rs.200 each
Project	: Expansion of the vanaspati unit and the setting up of a solvent extraction plant
Promoters	: Ashok Oswal group, Ludhiana
Listing	: Ahmedabad, Bombay, Calcutta, Delhi and Ludhiana

Of each of the Rs.200 debentures, Rs.100 will be converted into five equity shares of Rs.10 each at a premium of Rs.10 per share six months after the allotment. The balance Rs.100, will be converted on the same terms 18 months after the allotment.

The company's past performance will indicate that although its turnover has more than doubled from Rs.16 crore in 1985 to Rs.35 crore in 1990, profitability has been poor. Net profit as a percentage of sales has never upped beyond two per cent. The reasons, agrees Ashok Gupta, managing director of the company, lies in a sluggish demand for textiles and steel. However, company sources expect the current year (1990-91) to be better as turnover in the first four months (April-July) touched Rs.18 crore and profits Rs.65 lakh.

Progressive Aluminium

Progressive Aluminium Ltd (PAL) is a new company promoted by the Rs.36 crore Progressive Construction Company engaged in the construction of dams, barrages, canals, underground tunnels and multi-storeyed buildings in MP, UP and Orissa.

Extruded aluminium has high ductility, and strength, is light weight and hence finds application in construction and transport sectors besides defence. In fact, the bus body building industry is a major user and most state road corporations are slowly switching over to aluminium bus body building in an effort to conserve fuel. Also, in the last one year there were phenomenal changes that took place in the aluminium industry which complains its increased availability. For Nalco was commissioned so also expansions at the other existing units. Secondly, price and distribution controls were removed and captive power plants were set up by manufacturers. This led to an upswing in production of aluminium. Hence the company will have no problems in raw material availability in the near future.

At present there are 21 plants in India manufacturing aluminium extrusion products with a total installed capacity of 77,400 tpa. These include the four primary producers. However, according to a market survery by Tata Economic Consultancy Services, demand for 1992 is pegged at 93,000 tonnes and is expected to reach 112,000 tonnes by 1995.

According to A.S. Rao, the company executive director, the plant will achieve 40 per cent capacity utilisation within the first year itself when it goes on stream in October 1990 and the turnover will be Rs.10.5 crore. PAL's cash breakeven is placed at 36 per cent capacity. Nevertheless, in the second and third year the company plans to achieve 60 and 80 per cent capacity utilisation respectively.

Progressive Aluminium	
Issue opens	: 10 September 1990
Size of the issue	: Rs.1.43 crore
To Indian public	: Rs.0.89 crore
Instrument	: Equity shares of Rs.10 each
Promoter	: Progressive Constructions Ltd
Project	: Setting up a plant with installed capacity of 6,250 tpa for the manufacture of aluminium extrusions
Cost of project	: Rs.8.86 crore
Plant location	: Medak district, AP
Listing	: Bombay and Hyderabad

TOCKMARKET REVIEW

Fortnightly changes

SE Sensitive Index on 25 August = 151.27 (+ 10%)
SE National Index on 25 August = 93.15 (+ 10.7%)



he Middle East problem, with its potenally alarming effects on the Indian econny, continued to attract the market's eliberate neglect through the fortnight. his was a result of two factors. First, reorts from companies about current perrmance continue to indicate a vourable 1990; and the news from agriltural areas suggest that after two years capital rebuilding necessitated by the ad monsoons of 1986 and 1987, rural nsumption will turn stronger this year. his means that there will be scope for ood corporate performances, absent unlast year. As a result, a much wider nge of industries ought to do well in 990.

The second factor is that the market ntinues to reflect the government's opmism on the oil problem. The governent's only action to date has been to ise the excise on cars and reduce car deeciation allowances. This will raise .92 crore while discouraging new car urchases. This was officially announced ring the mid-session on the stock exanges on 22 August.

The BSE Sensitive Index immediately ll by 50 points to 1,145 before recovering close the day at 1,157. As a broker rearked, "A potential Rs.3,000 crore liaity on account of higher oil prices has ad no noticeable effect on the market, yet Rs.100 crore tax caused the market to se 50 points." Thereafter, the market ntinued its upward course. Interstingly, the fall of 50 points meant a loss over Rs.3,000 crore in market capalisation, or about the likely increase in e oil import bill.

lf crisis fall-out. Nevertheless, the nth-old oil crisis has had an effect on e narrow group of shares whose fornes are directly linked to oil prices. ese include naphtha consumers like cil and, of course, automobile shares *ee table)*. Perhaps because the petroim minister will now be in no mood to ncede the demands of his other charge, e pharmaceutical industry, drug shares ve also fallen over the past month *(see ble)*.

The market otherwise continued to establish record highs. The BSE Sensitive Index crossed 1,200 over the fortnight. The 40 per cent jump since mid-June, when the current boom started, is a record for the market. The tax-men have, naturally, been anticipating record tax hauls as well. To this end, half-a dozen bulls with the Midas touch were raided at mid-fortnight apparently in connection with possible off-market deals in ACC. As a result, activity in ACC was affected, buyers shifting their attention to other scrips instead.

The historical undervaluation of scrips with a par value of Rs.100 provided the fodder that bulls were looking for. Tata Power, which has hitherto been a "dividend-valued" share because of its policy of small increases in dividend each year and no bonuses (the last bonus was 1 for 5 in 1975) is now a glamourous share because of the proposed privatisation of power. The scrip rose to Rs.1,670 from Rs.1,025 — a jump of over 60 per cent. Baroda Rayon, another Rs.100 scrip, also rose spectacularly to Rs.1,650 from Rs.1,100 over the fortnight.

Rise and rise. The steep rises in these shares were, however, reduced to near sideshows by Reliance. It rose in hectic trading from Rs.111.50 to Rs.177 (and touched Rs.200 in kerb trading after the official close). Its 60 per cent jump in a fortnight means a Rs.900 crore gain in its market capitalisation in two weeks. This jump alone exceeds by Rs.150 crore, the entire current market capitalisation of ACC! Such a huge rise — to long-time Reliance watchers — suggests that a fresh public issue is likely. As a broker said, "It would be hard to lose money now by buying Reliance."

Notwithstanding the record-high indices, the boom lacks breadth. For example, even a browse through the list of shares that start with an 'A' shows such well-traded ones as Apollo Hospital, Apollo Tyres, Astra IDL and Atlas Cycles among the ones that fell over the past fortnight. This indicates both the mutual fund concentration on a few shares and — on the positive side — a more discriminating approach to share buying than in past booms. Meanwhile, the continued lack of emergency measures by the government implies a sanguine official view of the oil crisis; it is a view that the market, for want of better information, is willing to hold for the moment.

■ RAFIQ DOSSANI

Struck by oil

Company	Price (Rs.) 30/7/90	Price (Rs.) 23/8/90	Percentage change
Hind Motor	54.50	44.25	− 18.8
Nocil	1,600.00	1,590.00	− 0.6
Premier Auto	·79.00	64.50	− 18.4
BSE index	1,098.95	1,151.27	+ 4.8

Pharmaceuticals drugged

Company	Price (Rs.) 30/7/90	Price (Rs.) 23/8/90	Percentage change
Glaxo	103.00	102.50	− 0.5
Hind Ciba	1,725.00	1,650.00	− 4.4
Hoechst	2,875.00	3,000.00	+ 4.3
Pfizer	103.75	75.00	− 27.7
Roche	63.75	60.00	− 5.9
Sandoz	151.25	145.00	− 4.1
BSE index	1,098.95	1,151.27	+ 4.8

STOCKMARKETS

Company / Face value	Year Ended	Equity Rs Cr	Re-serves Rs Cr	Book value Rs	Price 23.8.90	52 weeks High	52 weeks Low	EPS in Rs Year	EPS in Rs Half-yr	PE Times	Divi-dend %	Yield %	Bonus Year	Bonus Ratio
A.P.SCOOTERS,10	07/87	9.94	-13.25	-3.33	6.00	6.00	3.00	-4.8			11.0	18.3		
ACC,100	03/90	55.95	90.70	262.11	1330.00	1330.00	258.00	31.7	15.6	42.0	15.0	1.1	86	1:5
AHM ELECTRIC,100	03/89	19.81	67.58	441.14	425.00	450.00	210.00	27.7	11.8	15.3	16.0	3.8	87	1:5
ALFA LAVAL,10	03/89	7.82	21.57	37.58	157.50	170.00	70.00	8.0	4.1	19.7	25.0	1.6	89	1:2
AMAL RASAYAN,10	03/90	3.19	11.36	45.61	52.50	88.75	42.00	0.2		262.5		3.8		
AMB SARABHAI,10	03/90	22.20	-1.10	9.50	16.50	22.25	14.00	0.3		55.0			82	1:5
AMFORGE,10	03/90	5.33	11.32	31.24	86.50	115.00	77.00	11.3	5.0	7.8	25.0	2.8		
ANDHRA CEMENT,10	03/89	18.78	-2.70	8.56	15.50	18.00	7.75	-15.4				11.8	87	1:2
ANDHRA VALLEY,100	03/89	10.51	49.73	573.17	1200.00	1200.00	310.00	126.5	108.4	9.5	18.0	1.5	75	1:9
ANDREW YULE,10	03/87	9.41	22.81	34.24	66.00	77.50	54.00	2.2		30.0	10.0	1.5	87	2:5
ANNAPURNA FOILS,10	03/89	9.05	0.00	10.00	12.00	15.00	6.50	-2.9	-3.2					
APOLLO HOSP,10	06/88	5.22	1.33	12.55	13.00	16.00	11.00	3.2	1.2	4.1	15.0	11.5		
APOLLO TYRES,10	10/89	8.40	14.19	26.89	64.00	136.50	41.50	16.3		3.5	25.0	3.9		
APPLE IND.,10	03/89	5.19	0.81	11.56	51.00	51.00	16.50	3.1	3.1	16.5	35.0	6.9		
ASEA BROWN,10	03/89	5.28	8.25	25.62	135.00	140.00	47.50	5.9	3.5	22.9	21.0	1.6		
ASHOK LEYLAND,10	03/90	31.72	100.64	41.73	117.50	117.50	67.50	5.8	3.6	20.3	31.5	2.7	78	1:2
ASIAN CABLES,10	03/89	5.59	7.32	23.09	35.00	46.00	28.00	5.8	2.4	6.0	12.0	3.4	81	1:3
ASIAN HOTELS,10	03/90	15.05	12.21	18.11	66.00	66.00	52.00	7.4	4.3	8.9	25.0	3.8		
ASIAN PAINTS,10	03/90	12.44	56.50	55.42	261.25	266.25	190.00	15.3	9.1	17.1	45.0	1.7	87	1:2
ASSAM CO,10	03/89	14.00	26.02	28.59	155.00	155.00	95.00	8.4	7.2	18.5	40.0	2.6	89	1:1
ASSAM FRONTIER,10	03/90	3.00	10.53	45.10	295.00	295.00	175.00	29.0	9.0	10.2	50.0	1.7		
ASTRA IDL,10	03/89	2.50	2.97	21.88	42.50	72.00	40.00	4.9	2.5	8.7	10.0	2.4		
ATLAS COPCO,10	03/89	7.26	7.95	20.95	47.00	51.00	33.00	0.8	-1.9	58.8	10.0	2.1	87	1:2
ATLAS CYCLE,10	03/89	1.15	13.93	131.13	87.50	105.00	70.00	12.8	2.4	6.8	15.0	1.7	87	1:2
AVERY INDIA,10	03/89	4.20	9.34	32.24	152.00	152.00	106.00	7.7		19.7	35.0	2.3	84	2:5
BAJAJ AUTO,10	03/90	18.81	261.22	148.67	597.50	597.50	301.25	34.6	19.5	17.3	110.0	1.8	87	1:1
BAJAJ PLASTIC,10	03/89	1.50	4.94	42.93	50.00	55.00	24.00	-10.9	-3.4				86	1:1
BAJAJ TEMPO,10	03/90	6.60	42.10	73.79	195.00	195.00	117.50	11.5	8.4	17.0	20.0	1.0	86	1:1
BAKELITE HYLAM,10	03/90	4.50	20.04	54.53	43.75	59.00	31.00	3.0		14.6	18.0	4.1	80	2:3
BALLARPUR,10	03/89	20.97	27.11	22.93	225.00	225.00	121.25	7.4	7.8	30.4	18.0	0.8	89	1:2
BARODA RAYON,100	03/90	17.97	51.55	386.87	1650.00	1650.00	800.00	132.5		12.5	25.0	1.5	90	1:2
BASF,10	03/90	4.26	16.86	49.62	210.00	210.00	115.00	12.7		16.5	20.0	1.0	90	1:2
BATA INDIA,10	12/89	10.50	17.18	26.36	82.00	82.00	60.00	5.4		15.2	15.0	1.8	87	1:1
BATLIBOI,10	03/89	2.79	3.93	24.09	47.50	47.50	16.00	5.4		8.8	15.0	3.2		
BAYER INDIA,100	03/90	16.22	17.65	208.82	850.00	880.00	725.00	32.8	9.4	25.9	20.0	2.4	87	1:1
BEST & CROM,10	03/89	7.10	17.80	35.07	52.50	58.75	28.50	1.6	-0.9	32.8	10.0	1.9	82	3:5
BHADRA PAPER,10	03/90	10.57	28.95	37.39	127.50	127.50	75.00	4.3	1.1	29.7	32.5	2.5		
BHARAT FORGE,10	03/90	14.24	20.80	24.61	157.50	157.50	72.50	4.1		38.4	30.0	1.9	88	1:1
BHARAT GEARS,10	01/89	4.03	5.50	23.65	58.00	62.00	21.00	-2.4	0.1			6.2		
BIHAR ALLOY,10	03/90	8.20	-10.01	-2.21	24.00	51.50	22.00	-2.1		13.1				
BIMETAL,10	03/90	3.82	12.13	41.75	137.50	142.50	75.00	7.5	4.8	18.3	27.5	2.0	89	1:1
BINDAL AGRO,10	12/88	14.85	8.50	15.72	65.00	125.00	37.50	5.1	4.6	12.7	50.0	7.7		
BIRLA JUTE,10	03/90	20.37	84.17	51.32	150.00	150.00	45.50	2.3		65.2	18.0	1.2	86	1:1
BIRLA YAMAHA,10	02/89	8.00	0.17	10.21	26.00	26.00	7.50	-4.8	-3.4					
BLOW PLAST,10	07/89	2.00	3.73	28.65	82.50	82.50	31.25	1.6		51.6	15.0	1.8	87	1:1
BLUE STAR,10	03/90	3.55	15.61	53.97	137.50	160.00	67.50	13.3	1.4	10.3	20.0	1.5	86	3:5
BOM BURMAH,100	03/90	5.52	19.47	452.72	1075.00	1075.00	430.00	88.2	38.9	12.2	30.0	2.8	78	1:4
BOM DYEING,10	03/90	11.24	88.18	88.45	293.00	293.00	122.50	19.6	8.9	14.9	40.0	1.4	90	1:1
BOM SUBURBAN,10	03/90	6.60	78.22	128.52	81.25	81.25	35.00	18.2	11.2	4.5	20.0	2.5	89	1:1
BOOTS,10	03/89	8.10	9.33	21.52	115.00	136.50	95.00	5.5	2.8	20.9	22.0	1.9	87	1:1
BOROSIL GLASS,10	03/90	2.24	8.71	48.88	56.00	74.00	52.50	5.9		9.5	25.0	4.5	82	1:2
BRITANNIA,10	03/90	18.57	33.30	27.93	147.50	147.50	75.04	5.3	2.7	27.8	24.0	1.6	89	1:2
BROOKE BOND,10	12/89	44.15	39.77	19.01	140.00	140.00	84.50	6.2		22.6	30.0	2.1	89	4:5
BURROUGHS,10	02/89	6.00	15.82	36.37	80.00	100.00	67.50	6.0	1.4	13.3	45.0	5.6	89	1:1
C.E.S.C.,10	03/90	16.94	86.30	60.94	85.00	85.00	30.25	7.9	2.9	10.8	20.0	2.4		
C.P.TOOLS,100	03/89	4.57	9.81	310.28	380.00	420.00	280.00	15.2	-5.6	25.0	15.0	3.9	77	1:3
CABLE CORP,10	03/90	9.00	26.23	39.14	90.00	90.00	61.00	11.0	3.4	8.2	28.0	3.1		
CADBURY,10	03/90	8.40	14.46	27.14	170.00	185.00	104.00	6.3	2.0	27.0	35.0	2.1	87	1:1
CALICO MILLS,125	06/89	13.56	-5.69	72.55	66.00	83.00	40.00	2.3		29.6			77	1:7
CARRIER AIRCON,10	03/89	10.42	-3.50	8.64	28.00	28.00	18.00	-2.8	-0.9					
CEAT TYRES,10	06/89	14.76	104.60	80.87	110.00	165.00	80.00	15.2	6.3	7.2	30.0	2.7	86	1:2
CEMINDIA,10	03/90	1.28	8.57	76.95	80.00	121.75	80.00	7.0	2.8	11.4	30.0	3.8	84	3:5
CENTURY ENKA,100	03/90	16.61	226.21	1461.89	4700.00	4700.00	2750.00	196.7		23.9	62.5	1.3	86	2:5
CENTURY SPIN,100	03/90	26.62	248.83	1034.75	4225.00	4225.00	2035.00	203.0		20.8	50.0	1.2	86	2:3
CHAMPAGNE,10	03/89	3.00	-1.46	5.13	16.00	20.00	13.00	-3.2						
CHLORIDE,10	03/90	20.65	16.51	18.00	107.50	106.75	81.00	6.7	4.2	16.0	31.5	2.9	86	3:5
CIFCO FINANCE,10	03/89	4.78	0.40	10.84	11.50	12.50	8.00	2.1	0.9	5.5	11.0	9.6		
CITURGIA,10	03/90	3.38	8.34	34.67	130.00	130.00	92.50	8.8		14.8	35.0	2.7		
COLGATE,10	12/89	31.44	25.32	18.05	297.50	297.50	156.88	8.0		37.2	42.5	1.4	89	1:1
COLOUR CHEM,100	03/90	7.94	13.96	275.82	700.00	750.00	475.00	30.0		23.3	22.0	3.1	80	2:5
COMET STEEL,10	03/90	9.65	4.49	14.65	20.00	25.00	17.75	4.1		4.9	17.0	8.5		
COROM FERT,10	09/89	24.32	24.79	20.19	72.50	80.00	21.00	-2.9	1.5			2.6	86	1:2
COSMO FILMS,10	03/89	2.39	7.45	41.17	35.00	42.00	24.00	-8.5	-2.6		18.0	5.1		
CROMPT GREA,100	03/90	19.20	74.09	485.89	1075.00	1100.00	637.50	80.9		13.3	18.0	1.7	89	1:1
CYANAMID,10	03/89	5.25	10.26	29.54	115.00	120.00	78.00	4.2	3.1	27.4	20.0	1.7		
DCM TOYOTA,10	03/90	15.00	-12.96	1.36	43.00	43.00	11.00	4.3	3.2	10.0				

Company / Face value	Year Ended	Equity Rs Cr	Re-serves Rs Cr	Book value Rs	Price 23.8.90	52 weeks High	52 weeks Low	EPS in Rs Year	EPS in Rs Half-yr	PE Times	Divi-dend %	Yield %	Bo Ye
DCM,10	03/89	23.02	26.19	22.25	65.00	77.50	45.00	2.1	-2.2	31.0			7
DEEPAK FERT,10	03/89	36.68	11.32	13.09	34.00	35.00	26.50	1.9	1.5	17.9	18.0	5.3	
DEEPAK NITR,10	03/90	2.43	9.23	47.96	118.75	118.75	63.00	14.3		8.3	30.0	2.5	9
DEMPO STEAM,100	06/85	2.00	-9.83	-391.50	5.00	6.50	5.00						
DHARAMSI,10	03/90	6.24	15.76	35.26	80.00	80.00	36.00	10.0		8.0	25.0	3.1	9
DR.REDDYS,10	03/90	2.06	1.36	16.54	65.00	70.00	48.00	3.1	1.6	21.0	25.0	3.8	
DUNCAN AGRO,100	03/89	3.05	18.23	697.70	1250.00	1250.00	246.79	28.9	82.6	43.3	15.0	1.2	8
DUNLOP,10	03/90	16.99	68.77	46.21	67.50	80.00	53.00	2.3		29.3	30.0	4.4	7
E. MERCK,10	12/89	5.94	6.65	21.20	90.00	90.00	26.00	5.2		17.3	25.0	2.8	9
E.I.HOTELS,10	03/90	23.84	47.57	29.95	60.00	66.00	55.50	4.5	0.5	13.3	22.0	3.7	9
EICHER MOTORS,10	03/90	9.98	-6.04	3.95	41.00	41.00	10.25	3.5	3.4	11.7		10.0	
EID PARRY,10	06/89	6.28	6.69	20.65	100.00	100.00	61.00	7.3		13.7	25.0	2.5	
ELECON ENG,10	03/90	5.65	27.25	58.23	70.00	85.00	59.00	1.8		38.9	12.0	1.7	8
ENFIELD,10	03/89	5.04	9.15	28.15	19.25	20.00	10.50	-10.4					8
ENGLISH ELECT,10	03/90	9.00	18.88	30.98	119.00	119.00	48.00	3.3		36.1	25.0	2.1	9
ESCORTS,10	03/90	33.90	127.32	47.56	130.00	130.00	71.50	6.6	3.2	19.7	30.0	2.3	8
ESKAYEF,10	03/90	7.50	26.57	45.43	156.25	165.00	111.25	10.4	4.5	15.0	30.0	1.9	9
ESSAR SHIPPING,10	06/89	46.14	44.05	19.55	44.00	46.50	20.00	2.9	4.6	15.2	30.0	6.8	
EXCEL,10	03/90	4.62	18.89	50.89	265.00	265.00	132.00	20.0		13.2	50.0	1.9	9
FAG PRECISION,100	03/90	3.36	8.71	359.23	103.75	105.00	51.00	13.8	6.3	7.5	18.0	17.3	
FERRO ALLOYS,10	03/90	8.42	36.76	536.58	65.00	132.50	62.50	15.9		4.1	25.0	38.5	8
FGP,10	03/90	4.89	7.34	25.01	56.25	82.00	46.00	5.3	2.2	10.6	22.0	3.9	8
FICOM ORGANIC,10	03/90	1.29	7.53	68.37	170.00	202.50	137.50	16.7	7.2	10.2	45.0	2.6	8
FINOLEX,10	03/90	3.24	38.26	128.15	375.00	375.00	202.50	28.1	15.6	13.3	50.0	1.3	9
FIRST LEASING,10	11/89	6.30	10.05	25.95	35.00	47.00	18.00	4.8		7.3	26.0	7.4	8
FLAKT INDIA,10	12/86	4.76	4.06	18.57	75.00	80.00	29.50	4.0	3.2	18.8	20.0	2.7	8
FORBES FORBES,10	03/90	4.25	21.83	61.36	67.50	71.25	46.25	5.0	2.0	13.5	20.0	3.0	8
FULFORD,10	03/90	0.80	3.54	54.25	510.00	510.00	230.00	14.4		35.4	22.0	0.4	9
G.E.SHIPPING,10	03/90	64.85	55.28	18.52	42.00	52.50	39.50	6.7	3.3	6.3	12.0	2.9	8
G.K.W.,10	03/90	24.06	41.04	27.06	47.50	47.50	19.00	6.0	0.5	7.9	15.0	3.2	8
G.T.C.INDUST,10	03/89	5.00	13.24	36.48	43.50	45.00	21.00	5.3	2.6	8.2	24.0	5.5	7
GABRIEL,10	03/90	2.64	5.63	31.33	62.50	67.50	42.50	6.6		9.5	18.0	2.9	7
GAMMON INDIA,10	03/89	2.16	13.46	72.31	130.00	135.00	80.00	5.8	4.2	22.4	18.0	1.4	8
GARDEN SILK,10	06/89	16.24	84.67	62.14	52.50	60.00	37.50	3.6	1.4	14.6	30.0	5.7	
GARWARE NYLON,10	12/88	9.72	14.92	25.35	57.00	66.00	45.00	2.7	2.0	21.1	20.0	3.5	8
GARWARE POLY,10	09/89	10.94	21.96	30.07	45.00	70.50	29.50	-8.4				4.1	
GARWARE SHIP,10	03/89	3.75	0.03	10.08	18.00	27.50	17.00	5.9	1.6	3.1	15.0	8.3	
GEN ELECTRIC,10	03/90	7.20	30.60	52.50	47.00	47.00	31.25	3.8		12.4	10.0	2.1	8
GENELEC,10	03/89	2.16	-4.39	-10.32	24.00	36.00	19.00	-47.1			14.7	6.1	8
GEORGE WILL,10	03/90	9.45	23.82	35.21	170.00	175.00	120.06	5.2		32.7	60.0	3.5	8
GERMAN REME,10	03/90	3.26	8.87	37.21	240.00	262.50	68.50	13.3		18.0	20.0	0.8	9
GLAXO,10	03/90	20.00	49.88	34.94	102.50	122.50	89.50	7.7	5.0	13.3	27.0	2.6	8
GODFREY PHILIPS,10	03/90	2.60	3.80	24.62	150.00	150.00	35.00	11.0	6.9	13.6	35.0	2.3	7
GOETZE,10	03/90	6.93	16.53	33.85	92.50	95.00	75.00	6.7	3.4	13.8	32.0	3.5	7
GOKAK PATEL,10	03/90	6.52	25.96	49.82	160.00	160.00	67.50	13.7	8.1	11.7	32.0	2.0	8
GOOD NEROLAC,10	03/89	3.24	5.08	25.68	130.00	140.00	47.50	2.5	1.8	52.0	22.0	1.7	7
GOODYEAR,10	12/89	14.96	24.47	26.36	65.00	70.00	40.00	6.5		10.0	40.0	6.2	9
GRAMOPHONE,10	03/89	4.37	11.43	36.16	15.00	17.10	8.50	-14.0					
GRASIM,10	03/90	60.20	168.10	37.92	176.00	180.00	101.00	9.2	4.8	19.1	30.0	1.7	8
GREAVE COTTON,10	03/90	9.86	30.96	41.40	85.00	85.00	60.00	6.6	2.1	12.9	18.0	2.1	8
GUJ ALKALIES,10	03/90	17.90	29.78	26.64	91.25	96.50	71.00	4.2	3.1	21.7	26.0	2.8	8
GUJ AMB CEM,10	06/90	19.99	15.18	17.59	80.00	81.50	18.50	7.3	4.8	11.0	25.0	3.1	
GUJ NARMADA,10	03/89	88.98	103.47	21.63	40.50	47.00	30.75	3.4	1.6	11.9	10.0	2.5	
GUJ STATE FERT,10	03/90	44.41	335.70	85.59	222.50	250.00	157.50	11.6	6.2	19.2	30.0	1.3	8
HARRISON,10	06/89	9.10	17.84	29.36	170.00	170.00	77.00	3.5	5.6	48.6	35.0	2.1	8
HERDILLIA CHEM,10	03/90	7.35	46.79	73.66	107.50	107.50	82.50	10.0	4.3	10.8	26.0	2.4	7
HERO HONDA,10	03/90	15.98	-2.76	8.27	42.00	42.00	16.00	-0.3	2.0				
HIND ALLOY,10	03/90	7.13	5.03	17.05	68.75	76.25	55.00	9.4	4.1	7.3	30.0	4.4	
HIND CIBA,100	03/90	17.71	40.07	326.26	1650.00	1725.00	850.00	92.7	39.5	17.8	30.0	1.8	8
HIND DEVELOP,10	03/89	29.74	92.56	41.12	85.00	135.00	72.00	3.2	2.4	26.6	25.0	2.9	8
HIND DORR-OLIVER,10	03/90	4.76	10.67	32.42	80.00	105.00	62.50	7.3		11.0	25.0	3.1	8
HIND FERODO,10	03/89	5.50	1.89	13.44	27.00	28.00	17.00	1.4		19.3	5.0	1.9	8
HIND LEVER,10	12/89	93.32	135.20	24.49	142.00	142.50	97.00	5.8		24.5	35.0	2.5	8
HIND MOTOR,10	03/90	26.35	44.92	27.05	44.25	54.50	21.00	0.8		55.3	7.5	1.7	8
HINDALCO,10	03/90	17.85	200.47	122.31	370.00	370.00	210.00	36.1	16.5	10.2	37.5	1.0	9
HMM,10	03/90	14.18	93.90	76.22	345.00	345.00	180.00	12.4	5.3	27.8	40.0	1.2	8
HOECHST,100	03/89	9.58	27.94	391.65	3000.00	3000.00	800.00	37.7	52.3	79.6	20.0	0.7	8
HOGANAS,10	03/90	1.15	0.29	12.52	92.50	110.00	51.00	4.0	1.4	23.1	15.0	1.6	
HOTEL LEELA,10	03/90	18.57	-2.20	8.82	19.00	19.00	13.00	0.1	0.5	190.0			
HOUSING DEV FIN,100	03/89	19.98	84.98	425.23	450.00	475.00	275.00	98.8	48.4	4.6	14.0	3.1	
HYD.ALLWYN,10	12/88	17.45	10.70	16.13	16.00	16.50	8.00	1.4	1.2	11.4	15.0	9.4	
I.O.L.,10	03/90	14.60	31.44	31.53	52.00	52.00	33.50	0.2		260.0	10.0	1.9	9
ICI,10	03/89	40.87	84.19	30.60	52.50	58.50	35.00	1.2	-3.9	43.8	22.5	4.3	7
ICIM,10	03/90	5.88	9.13	25.53	30.00	40.00	30.00	3.9		7.7			
INDIA CEMENT,10	03/90	4.90	48.98	109.96	105.00	105.00	15.00	5.9	7.0	17.8	15.0	1.4	8
INDIA GYPSUM,10	03/89	9.00	-2.47	7.26	12.00	16.00	9.00	-2.7	-1.3				

Company / Face value	Year Ended	Equity Rs Cr	Reserves Rs Cr	Book value Rs	Price 23.8.90	52 weeks High	52 weeks Low	EPS in Rs Year	EPS in Rs Half-yr	PE Times	Dividend %	Yield %	Bonus Year	Bonus Ratio
POLYFIBRES.10	03/90	29.75	-2.73	9.08	15.50	15.50	4.50	-0.9	-2.3					
STEAMSHIP.10	03/89	10.15	-65.15	-54.19	13.25	18.25	11.25	4.2	2.1	3.2			75	1:1
N ALUM.10	03/90	41.50	49.09	21.83	198.00	198.00	120.00	14.1	7.0	14.0	25.0	1.3	77	2:5
N DYESTUFF.100	03/90	9.41	38.71	511.37	500.00	560.00	175.00	44.4		11.3	14.0	2.8	80	1:4
N HOTEL.10	03/90	14.79	51.27	44.67	90.00	94.00	82.50	7.8		11.5	25.0	2.8	89	1:2
N ORGANIC.10	03/90	18.40	26.38	24.34	74.50	74.50	40.50	4.6		16.2	15.0	2.0	85	1:2
N RAYON.10	06/89	25.40	190.83	85.13	148.00	160.00	78.00	3.9	3.8	37.9	28.0	1.9	80	1:4
N SEAMLESS.10	03/90	3.86	2.36	16.11	118.00	120.00	85.71	4.7		25.1	25.0	2.1	89	3:4
GULF FERT.10	03/89	164.81	0.00	10.00	25.00	25.50	13.00	-0.7	-0.2					
OL.10	03/90	6.16	29.12	57.27	247.50	270.00	172.50	9.8		25.3	27.0	1.1	90	3:5
NISSAN.10	03/89	14.00	1.21	10.86	13.50	16.00	11.25	0.7	0.5	19.3	15.0	11.1		
RSOLL.10	03/90	15.78	34.25	31.70	285.00	285.00	192.50	9.1	5.3	31.3	25.0	0.9	89	1:1
XCHANGE.10	03/89	3.50	7.20	30.57	65.00	90.00	52.50	4.6	0.7	14.1	13.0	2.0	88	4:5
TA.10	03/89	12.00	-15.79	-3.16	30.00	34.00	16.50	-4.4	1.4					
0	03/90	66.34	152.27	32.95	132.50	132.50	51.00	7.9		16.8	37.5	2.8	99	1:1
HEMICAL.10	03/90	3.00	6.02	30.07	105.00	105.00	27.00	12.7	8.3	8.3	21.0	2.0		
NDUSTRIES.10	06/89	14.04	15.51	21.05	72.50	112.50	49.00	13.4		5.4	25.0	3.4	67	1:1
YNTHETIC.10	03/89	38.51	129.12	43.53	76.00	83.00	51.00	4.8	1.2	15.8	22.0	2.9	83	1:3
NT VITAMIN.10	06/89	3.87	5.11	23.20	42.50	45.00	26.00	8.0		5.3	25.0	5.9	87	2:5
ANI BRAKES.10	03/89	3.90	-4.84	-2.41	59.00	59.00	29.00	3.0	2.1	19.7				
ANI STEEL.10	03/90	2.36	11.41	58.35	625.00	650.00	220.00	19.7	7.2	31.7	75.0	1.2	90	1:1
INATOR.10	06/89	3.55	25.48	81.77	107.50	115.00	74.38	18.2	9.7	5.9	24.0	2.2	89	1:1
DRAM.10	03/90	11.46	53.78	56.93	132.50	132.50	40.00	2.3		57.6	10.0	0.8	79	1:2
DAY DIST.10	12/88	9.00	8.88	19.87	32.50	37.00	25.00	4.7	2.8	6.9	20.0	6.2		
TIC ENGG.10	03/90	2.88	22.29	87.40	192.50	192.50	125.00	12.3	6.5	15.7	25.0	1.3	89	1:1
TIC HONDA.10	03/89	9.99	3.34	13.34	69.00	71.00	27.00	1.4	0.7	49.3				
CUMMINS.10	03/89	26.40	41.95	25.89	95.00	102.50	64.00	2.7	2.0	35.2	11.2	1.2	86	1:1
PNEUMATIC.10	03/89	3.85	11.28	39.30	47.50	72.50	40.00	10.8	1.2	4.4	22.5	4.7		
OSKAR OIL.10	03/90	5.75	13.16	32.89	45.00	46.00	29.00	5.2		8.7	16.0	3.6	76	3:7
CKNER WIND.10	03/90	4.50	12.31	37.36	285.00	287.50	127.50	13.1		21.8	24.0	0.8	90	1:1
PUMPS.10	03/90	8.70	12.25	24.08	220.00	230.00	180.00	7.3	4.6	30.1	20.0	0.9	89	1:1
ME.10	03/90	3.15	9.67	40.70	187.50	193.75	74.17	5.6	4.8	33.5	28.0	1.5	89	1:2
SEN TOUBRO.10	03/90	68.09	321.18	57.17	120.00	120.00	59.00	6.3	3.2	19.0	25.0	2.1	86	3:5
ON.10	12/89	15.75	22.14	24.06	87.50	109.00	68.00	6.6		13.3	22.0	2.5		
YD STEEL.10	03/90	5.07	4.92	19.70	60.00	102.50	53.75	7.2		8.3	25.0	4.2	89	1:2
.10	03/89	21.42	9.07	14.23	39.00	39.00	16.50	0.3	0.6	130.0			80	4:5
NEIL MAGOR.10	06/86	2.74	41.38	161.02	105.00	106.00	56.00	2.3		45.7	7.0	0.7		
RAS CEMENT.100	03/90	3.02	18.65	717.55	2700.00	2700.00	400.00	22.5	73.8	120.0				
URA COATS.10	03/89	21.96	92.32	52.04	160.00	160.00	97.00	6.9	2.4	23.2	25.0	1.6	86	1:2
ATLAL FINE.100	03/90	14.48	18.90	230.52	550.00	550.00	200.00	-33.1	6.6	47.1		3.1	80	1:3
ATLAL IND.100	03/90	13.45	51.38	482.01	850.00	950.00	260.00	22.7	19.1	37.4	22.0	2.6	78	1:5
IN & MAHIN.10	03/90	19.26	113.23	68.79	97.50	103.00	72.50	8.3		11.7	25.0	2.6	84	2:3
INDRA NISSAN	03/89	16.70	0.15	10.09	21.00	21.00	9.00	-2.2	-2.5					
INDRA UGINE.10	03/90	11.50	26.98	33.46	62.50	87.50	55.00	4.1		15.2	20.0	3.2	88	1:2
NGALAM CEM.10	03/90	7.11	11.04	25.53	55.00	55.00	20.00	1.1	1.0	50.0	22.5	4.1		
NGALORE CHEM.10	03/89	19.97	0.17	10.09	22.00	24.50	16.00	-16.3	-9.8			4.3		
STERSHARE.10	06/89	225.00	280.60	22.47	28.15	28.15	15.50	8.3		3.4	18.0	6.4		
THER PLATT.10	03/90	23.04	9.15	13.97	32.00	60.00	31.00	1.8		17.8	22.0	6.9	87	3:5
INDIA.10	03/90	2.79	6.17	32.11	72.50	79.00	67.50	5.5	2.0	13.2	30.0	4.1		
ZDA INDUST.10	11/89	4.32	2.64	16.11	8.00	12.50	7.50	-0.7				14.1		
DOWELL.10	03/89	7.68	25.89	43.71	87.50	92.50	71.00	14.7	4.8	6.0	20.0	2.3	86	1:1
EOD RUSSEL.10	03/90	6.25	22.38	45.81	112.50	115.00	79.69	13.9		8.1	60.0	5.3	89	3:5
AL BOX.10	03/89	14.68	-12.54	1.46	8.25	9.50	6.50	-12.6	-4.4				67	1:2
ES INDIA.10	03/90	1.28	2.08	26.25	92.50	130.00	82.50	4.4	1.4	21.0	20.0	2.2	89	1:1
KFOOD.10	03/89	1.14	4.49	49.39	170.00	312.50	130.00	13.4	-25.1	12.7	30.0	1.8	87	1:1
DI INDUSTRIES.10	03/89	3.30	23.65	81.67	22.00	30.00	17.00	-52.6	-1.6			3.2	69	1:5
DI RUBBER.10	03/89	10.38	52.50	60.58	75.00	91.00	47.00	14.2	-2.8	5.3	25.0	3.3	84	2:5
DI XEROX.10	03/89	19.46	6.50	13.34	68.00	72.00	54.00	2.4	0.5	28.3	11.0	1.6		
TOR INDUST.100	12/89	38.05	67.85	278.32	990.00	1100.00	590.00	38.4	19.4	25.8	14.0	1.4	86	1:1
.10	03/90	3.86	55.04	152.59	380.00	380.00	185.00	32.4	19.2	11.7	60.0	1.6	75	1:2
KAND IRON.10	03/90	14.74	92.60	72.82	159.00	159.00	128.00	11.4	6.2	13.9	30.0	1.9	88	1:2
SORE CEMENT.10	06/87	18.22	22.61	22.41	52.50	52.50	11.00	1.1	1.2	47.7	17.5	3.3	85	2:5
GAR FINANCE.10	03/89	2.44	3.76	25.41	15.50	24.00	12.50	5.4	3.2	2.9	35.0	22.6		
TION PEROXIDE.100	03/89	2.30	9.02	492.17	940.00	1175.00	675.00	-48.6	-17.8		6.0	0.6		
TIONAL RADIO.100	03/90	6.98	3.75	153.72	625.00	700.00	190.00	14.0		44.6				
ITLE.10	12/89	36.62	5.70	11.56	130.00	142.50	89.29	3.9		33.3	30.0	2.3	89	3:5
LON.10	03/89	15.76	-23.74	-5.06	25.50	26.00	10.75	-22.0	-9.1				82	1:2
CIL.100	03/90	36.00	109.85	405.14	1590.00	1610.00	985.00	117.3	55.5	13.6	40.0	2.5	86	1:2
SSA CEMENT.10	03/89	5.40	31.50	68.33	75.00	75.00	32.00	-14.3	0.5		20.0	2.7	87	1:1
KAY.10	03/90	66.29	51.65	17.79	36.50	36.50	13.50	0.2		182.5		17.5		
WAL AGRO.10	06/89	96.72	81.67	18.44	55.00	87.00	32.00	2.8	2.1	19.6	50.0	9.1	87	3:5
WAL FURANE.10	12/88	18.00	0.00	10.00	35.00	44.00	21.50	0.3		116.7				
S ELEVATORS.10	03/90	5.37	20.34	47.88	205.00	260.00	175.00	7.5	3.5	27.3	25.0	1.2	85	1:1
KE DAVIS.10	03/90	7.53	4.06	15.42	115.00	133.25	70.00	3.7		31.1	35.0	3.0	90	3:5
ZZ.10	03/90	33.32	40.09	22.03	68.00	71.00	19.50	2.0		34.0	10.0	1.5	82	1:5
ZER.10	03/90	11.72	16.91	24.43	75.00	107.50	58.00	2.3		32.6	20.0	2.7	77	4:5

Company / Face value	Year Ended	Equity Rs Cr	Reserves Rs Cr	Book value Rs	Price 23.8.90	52 weeks High	52 weeks Low	EPS in Rs Year	EPS in Rs Half-yr	PE Times	Dividend %	Yield %	Bonus Year	Bonus Ratio
POLYCHEM.10	03/90	6.00	17.30	38.83	112.50	117.50	58.80	11.5	6.8	9.8	25.0	2.2	90	1:2
POLYOLEFINS.100	03/90	19.30	56.49	392.69	1275.00	1485.00	1050.00	94.0	49.2	13.6	35.0	2.7	88	1:2
PONDS.10	12/89	6.68	18.78	38.11	175.00	188.75	109.22	9.1		19.2	37.5	2.1	90	1:2
PREMIER AUTO.10	06/89	22.75	112.26	59.35	64.50	79.00	56.25	6.4	1.8	10.1	45.0	7.0	86	1:1
PROCTER & GAM.10	06/89	6.68	11.68	27.49	330.00	330.00	182.50	9.4	5.3	35.1	30.0	0.9	86	4:5
PSI DATA.10	03/89	6.50	-5.27	1.89	27.50	27.50	11.50	-13.1				11.0		
RALLIS.10	03/89	9.52	33.44	45.13	80.00	105.00	65.00	8.7	3.1	9.2	25.0	3.1	77	3:1
RANBAXY.10	03/90	8.95	16.22	28.12	117.50	117.50	85.00	8.4	5.0	14.0	27.5	2.3	86	2:5
RAYMONDS.10	03/90	22.47	80.46	45.81	111.00	111.00	65.00	8.1	2.0	13.7	20.0	1.8	87	1:1
RECKITT COLMAN.10	12/89	8.40	22.44	36.71	245.00	248.75	172.50	9.5	4.8	25.8	40.0	1.6	88	1:1
REGENCY CERAMIC.10	03/89	5.61	0.25	10.45	16.00	22.50	15.00	0.9	0.7	17.8				
RELIANCE PETRO	03/89	86.47	0.48	10.06	45.00	47.00	20.50	0.6		75.0	18.0	4.0		
RELIANCE.10	03/90	152.11	958.12	72.99	177.00	177.00	51.50	5.9		30.0	30.0	1.7	83	3:5
REMINGTON.10	03/90	2.67	4.34	26.25	40.00	75.00	35.00	3.3	1.8	12.1	20.0	5.0	86	1:2
REVATHI C.P.10	03/90	1.60	4.29	36.81	90.00	100.00	67.50	5.8		15.5	20.0	2.2	87	1:1
RHONE-POULENC.10	03/90	4.50	14.22	41.60	100.00	115.00	63.75	9.8		10.2	15.0	1.5		
ROCHE PRODUCTS.10	12/88	4.81	6.23	22.95	60.00	89.00	27.00	3.3	1.9	18.2	15.0	2.5	80	1:3
ROSS MURARKA.10	12/88	4.64	3.29	17.09	18.00	24.00	14.50	3.1	1.5	5.8	18.0	10.0		
S.I.VISCOSE.100	03/90	11.03	38.51	449.14	2050.00	2050.00	765.00	202.0	120.6	10.1	45.0	2.2	87	1:2
SAMTEL INDIA.10	03/90	3.57	8.07	32.61	32.50	70.00	23.50	-8.4	-2.7	3.5		7.8	88	1:3
SANDOZ.10	12/89	5.30	24.68	56.57	145.00	177.50	105.00	11.2		12.9	18.0	1.2	90	1:2
SANDVIK ASIA.100	12/89	5.78	7.54	230.45	800.00	800.00	610.00	43.9		18.2	25.0	3.1	84	1:1
SCINDIA.20	06/88	18.95	-40.86	-23.12	9.00	16.00	7.00	-23.6					77	2:5
SEARLE.10	03/90	7.82	10.93	23.98	130.00	147.50	105.00	5.3		24.5	20.0	1.5	88	1:2
SESA GOA.10	03/90	5.15	12.25	33.79	118.75	118.75	43.00	6.7	9.5	17.7	18.0	1.5	86	2:5
SHAW WALLACE.10	03/90	12.00	37.90	41.58	100.00	118.00	69.00	12.7	6.4	7.9	42.5	4.2	87	1:1
SHRIRAM FIBRES.10	09/89	10.33	22.69	31.97	55.00	77.00	42.50	4.2		13.1	18.0	3.3	82	1:2
SIEMENS.10	03/90	20.77	61.17	39.45	128.00	134.00	67.50	4.4		29.1	30.0	2.3	86	1:4
SILTAP CHEMICAL.10	03/89	1.80	-0.76	5.78	87.00	92.50	42.50	-8.5	-3.4					
SIPTA COATED.10	03/90	17.59	12.40	17.05	18.00	30.00	14.00	1.4		12.9	15.0	8.3		
SKF BEARINGS.100	03/90	24.70	52.45	312.35	2050.00	2050.00	1230.00	84.0		24.4	15.0	0.7	89	1:1
SOUTHERN PETRO.10	03/90	34.00	292.60	96.06	64.50	75.00	43.50	6.8	5.5	9.5	16.0	2.5	86	1:1
SPARTEK.10	03/89	4.56	5.91	22.96	66.25	81.25	60.00	6.2	3.8	10.7	25.0	3.8	89	3:5
SPECIAL STEEL.10	03/90	11.39	14.36	22.61	175.00	175.00	91.25	10.4	5.2	16.8	25.0	1.4	89	1:2
STANDARD IND.10	03/90	11.06	36.78	43.25	81.00	87.50	35.00	1.2	1.7	67.5	20.0	2.5	82	2:5
STANDARD MOTOR.10	03/88	4.37	3.98	19.11	13.00	14.00	9.50	-18.1				15.8	85	1:1
STRAW PRODUCTS.10	03/90	10.14	77.87	86.79	121.25	128.00	74.00	7.2	4.5	16.8	30.0	2.5	72	1:2
SU-RAJ DIAMOND.10	03/90	7.66	9.72	22.69	47.50	79.00	46.00	14.2	9.4	3.3	25.0	5.3		
SUND CLAYTON.10	05/89	9.48	23.99	35.31	47.50	73.00	42.00	4.9	1.1	9.7	25.0	5.3	87	2:3
SUND FASTENERS.10	03/90	5.10	13.30	36.08	102.50	105.00	70.00	9.3	4.6	11.0	27.5	2.7	88	3:5
SUND FINANCE.10	03/90	6.00	23.62	49.37	103.00	103.00	60.00	15.3		6.7	30.0	2.9	90	1:1
SUPREME INDUST.10	06/89	2.27	13.47	69.34	330.00	330.00	200.00	14.4	9.7	22.9	45.0	1.4	87	1:1
SWAD POLYTEX.10	03/90	3.90	11.77	40.18	47.50	50.00	30.50	4.6	1.3	10.3	17.5	3.7		
SYNTH & CHEM.10	03/90	11.42	9.75	18.54	56.25	80.00	49.00	4.3	0.9	13.1	25.0	4.4		
TATA CHEMICALS.10	03/90	73.76	210.39	38.52	100.00	108.00	77.04	5.5	2.2	18.2	30.0	3.0	89	1:2
TATA LOCO.10	03/90	103.67	378.70	46.53	225.00	225.00	99.12	9.9	9.0	22.7	30.0	1.3	82	2:5
TATA OIL.25	03/90	8.11	25.19	102.65	252.50	252.50	66.25	16.5		15.3	20.0	2.0	90	1:5
TATA POWER.100	03/90	21.22	76.04	458.34	1670.00	1670.00	332.50	56.9	60.8	29.3	20.0	1.2	75	1:5
TATA PRESS.10	03/90	1.57	5.62	45.80	67.50	72.50	52.50	-3.6		10.9	10.0	1.5		
TATA STEEL.10	03/90	229.43	1103.11	58.08	149.00	164.00	103.25	6.5	2.9	22.9	30.0	2.0	86	2:5
TATA TEA.10	03/90	17.10	109.99	74.32	358.75	358.75	174.00	24.3	12.1	14.8	60.0	1.7	88	3:5
TATA UNISYS.10	03/90	4.38	8.76	30.00	150.00	160.00	67.50	11.8		12.7	30.0	2.0	87	2:5
TEXMACO.10	03/90	1.87	11.06	69.14	84.00	84.00	33.00	-67.0						
TINPLATE.10	03/90	10.14	12.16	21.99	42.50	45.00	27.50	2.5		17.0	15.0	3.5		
TUBE INVESTMENT.10	03/90	6.71	28.62	52.65	74.50	74.50	61.00	6.7	3.1	11.1	24.0	3.2	85	1:3
TUTICO ALKALIES.10	03/89	12.94	-2.63	7.97	15.00	19.00	12.00	0.9	-0.8	16.7		44.4		
TVS SUZUKI.10	03/89	23.10	-5.50	7.62	19.00	20.00	11.00	1.3		14.6				
TWENT CENT.10	03/90	8.88	12.44	24.01	34.00	37.50	21.00	4.5		7.6	22.0	6.5	88	2:5
U.B.LTD..10	06/88	4.00	9.53	33.82	72.00	76.25	37.00	7.1		10.1	20.0	2.8	86	1:1
UNION CARBIDE.10	03/89	32.58	38.04	21.68	33.50	38.00	21.00	1.4		23.9		5.3	80	1:2
UNIT PHOSPHORUS.10	12/87	2.80	2.66	19.50	56.25	76.25	38.00	0.4	-1.1	140.6	10.0	1.8		
UPCOM CABLES.10	03/89	5.92	1.88	13.18	21.00	53.00	17.50	4.3	-0.8	4.9	20.0	9.5		
VAM ORGANIC.10	03/90	5.16	20.35	49.44	175.00	175.00	120.00	15.7	8.7	11.1	35.0	2.0		
VIDEOCON INT.10	03/90	4.23	6.91	26.34	275.00	275.00	110.00	66.2	49.7	4.2	40.0	1.5		
VINDHYA TELE.10	03/90	3.90	20.90	63.59	107.50	130.00	77.50	8.0		13.4	22.5	2.1		
VOLTAS.100	03/90	19.85	61.98	412.24	120.00	120.00	56.36	9.2	5.8	13.0	24.0	20.0	89	1:2
VST INDUSTRIES.10	03/90	9.65	16.71	27.32	67.50	67.50	45.00	6.1	2.8	11.1	30.0	4.4	89	3:5
WAL NAGAR.100	09/88	3.00	2.46	182.00	25.00	27.50	16.00	2.0		12.5			82	1:2
WARREN TEA.10	03/90	3.90	11.49	39.46	150.00	150.00	58.75	20.9	4.0	7.2	50.0	3.3	89	1:1
WIMCO.10	03/89	13.58	5.34	13.93	30.50	34.00	15.75	-9.7	-2.8				70	1:5
Z F STEERING.10	03/89	2.25	1.02	14.53	62.00	67.50	43.00	2.6	1.1	23.8	10.0	1.6		
ZENITH.10	12/88	9.15	17.20	28.80	44.00	61.00	36.00	5.2	3.1	8.5	30.0	6.8	87	1:4
ZUARI.10	03/89	12.43	57.09	55.93	75.00	77.00	55.00	4.8	-2.3	15.6	35.0	4.7		

Note: EPS: This represents the earnings after tax for the full year divided by the number of shares outstanding. EPS half year: after tax earnings per shares for six months taking into account announced half yearly profits. PE: ratio of market price to after tax per share. Yield: dividend as a percentage of market price.

Sintex
Mixing
Vessels



Consistent performance round the year. For years

An ideal substitute for the wooden, lined and fabricated plastic vats, Sintex Mixing Vessels become indispensable for dyestuffs, paints, pharmaceuticals, food processing, chemicals, oil and other industries.

Extremely durable, leakproof and available in sizes upto 20,000 litres capacity, Sintex Mixing Vessels can be used round the year without any maintenance. Besides, they work out to be far more economical than others made of conventional materials.

Sintex Mixing Vessels are readily available with the option of flat bottom or tapered bottom assuring 100% discharge.

For Further information contact

SINTER PLAST CONTAINERS

Plastic Division · **The Bharat Vijay Mills Ltd.**
KALOL (N. GUJARAT) 382 721
Phone (02764) 2228, 2274, 2352, 3144, 3145
Gram "SINTEX", Telex 01205-202 SPC IN
Fax (02764) 2385

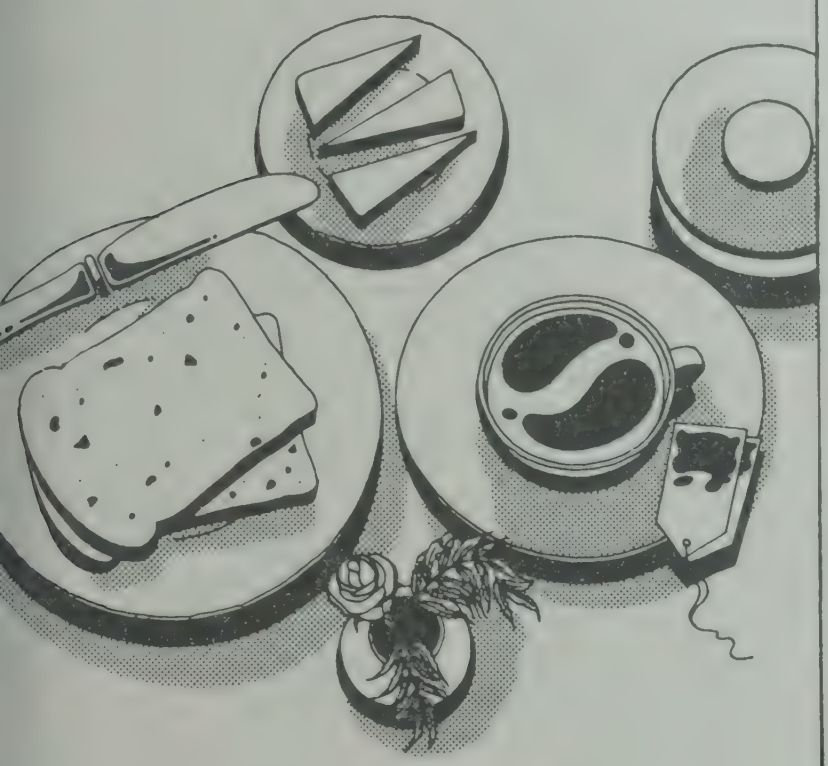
Bidhan.SPC/160/90

DEBENTURES

Company	Face Value	Market lot	Type	Rate %	Size Rs lacs	Price Rs	Date	Yield %	Interest due date	Redemption date	B clo
ASEA	100	10	NCD	13.5	252.0	88.00	10/08/90	15.34	30.6,31.12	17/9/93	22/1
ASHOK LEY.A	64	5	NCD	13.5	521.0	55.00	10/08/90	15.71	31.3,30.9	3/4/96	16/0
ASHOK LEY.B	64	5	NCD	13.5	1043.0	65.00	10/08/90	13.29	31.3,30.9	3/4/96	16/0
ASHOK LEY.C	100	5	NCD	15.0	815.0	95.00	10/08/90	15.79	31.3,30.9	3/4/91	16/
ATASH IND	75	10	CD	15.0	300.0	60.00	08/03/90	18.75	31.1,31.7	17/3/94	21/
BATLIBOI	100	25	NCD	15.0	510.0	92.00	20/04/90	16.30	30.4,31.10	11/4/93	3/1
BIRLA JUTE	200	5	NCD	13.5	999.0	170.00	19/02/90	15.88	30.9,31.3	7/2/96	13/
BLUE BLEND	200	10	NCD	13.5	625.0	162.50	18/01/90	16.62	31.1,30.6	4/11/96	14/1
CONT. CONST.	100	10	NCD	15.0	1750.0	80.00	05/04/90	18.75	1.1,1.7	4/10/95	27/1
DR REDDY'S	100	10	CD	15.0	163.0	92.50	21/03/90	16.22	30.6,31.12	4/6/96	15/1
DUNLOP	150	5	NCD	13.5	120.0	135.00	05/12/89	15.00	15.7,15.1	30/6/89	01/0
E.I.HOTELS	50	10	NCD	13.5	1566.0	41.25	02/03/90	16.36	10.4,10.10	10/4/94	21/0
ELECON ENG	45	5	NCD	13.5	247.0	40.00	05/12/89	15.19	30.6,31.12	12/3/94	18/1
ESSAR SHIP	75	10	NCD	13.5	100.0	65.00	12/04/90	15.58	31.3,30.9	15/4/94	15/
F.G.P.	100	5	NCD	13.5	168.0	82.50	19/01/89	16.36	31.3,30.9	19/11/92	13/
FERRO ALLOY	190	2	NCD	13.5	750.0	170.00	01/12/89	15.09	30.6,31.12	30/6/91	01/1
FORBES	100	10	NCD	13.5	600.0	83.75	20/04/90	16.12	1.4,1.10	2/4/94	10/
GARDEN SILK	100	10	NCD	12.5	300.0	70.00	20/04/90	17.86	31.3,30.9	31/3/97	09/0
GRASIM IND	120	5	NCD	13.5	100.0	120.00	20/03/90	13.50	31.3	30/6/97	15/0
GUJ ALKALI	140	5	NCD	13.5	700.0	122.50	07/03/90	15.43	28.2,31.8	1/8/93	18/0
HIND FERODO	100	5	CD	13.5	206.0	70.00	04/01/90	19.29	30.6,31.12	14/12/92	12/1
HOECHST	100	5	NCD	15.0	383.0	100.00	04/01/90	15.00	1.5,1.11	14/9/91	17/1
I.T.C.	500	1	NCD	15.0	500.0	530.00	20/04/90	14.15	1.7	30/6/90	16/0
IND HOTEL	75	10	NCD	13.5	1123.0	65.00	17/04/90	15.58	1.4,1.10	26/4/92	16/0
IND HOTEL	100	10	NCD	12.5	2708.0	88.50	17/04/90	14.12	15.6,15.12	14/6/94	10/0
IND RAYON	80	5	NCD	12.0	801.0	51.25	09/01/90	18.73	30.6,31.12	6/4/93	18/1
IND RAYON	112	5	NCD	13.5	1668.0	107.50	08/03/90	14.07	30.6	18/2/95	18/1
J.K. SYNTH	120	4	NCD	13.5	1875.0	122.50	19/04/90	13.22	1.1,1.7	1/4/92	01/1
JINDAL STR	100	10	NCD	15.0	600.0	87.50	12/04/90	17.14	30.6,31.12	14/4/94	20/1
KALY STEEL	100	5	NCD	15.0	67.0	105.00	05/12/88	14.29	30.6,31.12	7/6/91	19/1
KESORAM	90	5	NCD	13.5	1890.0	72.50	15/02/90	16.76	31.3,30.9	11/3/95	01/0
KLOCK WIND	100	10	CD	13.5	138.0	90.50	19/04/90	14.92	31.3,30.9	30/6/93	28/0
KOTH FOOD	80	10	CD	15.0	475.0	58.00	05/03/90	20.69	31.3,30.9	30/6/91	01/1
L & T RTC	60	5	CD	13.5	360.0	55.00	18/01/90	14.73	1.1,1.7	30/6/90	16/0
LAKME	75	10	NCD	13.5	202.3	70.00	08/03/90	14.46	30.6,31.12	9/4/94	01/1
LML	115	5	CD	13.5	828.0	80.00	10/08/90	19.41	30.4	30/6/91	16/
LYKA LABS	100	10	NCD	15.0	240.0	90.00	19/02/90	16.67	30.6,31.12	30/6/93	15/1
RHONE POULENE	100	5	NCD	15.0	300.0	96.00	10/08/90	15.62	1.4,1.10	9/9/94	11/1
MAZDA IND	100	10	NCD	13.5	625.0	65.00	20/04/90	20.77	1.4,1.10	5/4/93	14/0
MUKAND	125	5	NCD	13.5	437.0	115.00	10/08/90	14.67	1.1,1.7	30/6/88	12/1
PRESTIG FOOD	100	10	NCD	13.5	25.0	67.50	10/08/90	20.00	31.12,30.6	30/6/92	15/1
RAYMOND WOOL	240	1	CD	12.0	480.0	270.00	01/02/90	10.67	31.3,30.9	30/6/89	26/0
RAYMOND WOOL	400	1	NCD	13.5	1920.0	380.00	20/04/90	14.21	31.10	30/10/92	26/0
REL F CUM	100	10	NCD	15.0	3000.0	176.25	20/04/90	8.51	28.2,30.9	30/9/95	25/0
RELIANCE E	100	5	NCD	13.5	5335.0	90.00	30/03/90	15.00	30.4	30/6/97	28/0
RELIANCE F	100	10	NCD	15.02	27000.0	92.00	20/04/90	16.30	20.2,31.8	30/9/95	25/0
REL.PETRO C	150	10	CD	12.5	3920.0	108.00	20/04/90	17.36	31.5,30.11	30/10/95	11/0
SANDOZ	100	10	NCD	13.5	69.0	85.00	06/04/90	15.88	30.6,31.12	24/4/95	15/1
STEELAGE	100	10	NCD	13.5	132.0	85.00	06/04/90	15.88	1.5,1.11	30/6/94	12/1
TATA PRESS	120	5	NCD	13.5	195.0	105.00	17/05/89	15.43	31.3,30.9	11/11/96	12/0
TATA STEEL	200	5	NCD	13.5	2011.0	200.00	08/03/90	13.50	1.4,1.10	1/3/92	11/0
TATA UNISYS	100	10	CD	12.0	250.0	75.00	20/04/89	16.00	1.1,1.7	30/6/98	07/1
TITAN WATCH	200	10	NCD	13.5	1312.0	177.50	20/04/90	15.21	15.6,31.12	5/3/97	21/1
TRANSPORT CO	100	10	NCD	15.0	400.0	78.00	05/03/90	19.23	31.3,30.9	30/6/93	12/0
TTK PHARM	100	10	NCD	15.0	143.0	90.00	07/03/90	16.67	30.5,30.11	1/3/92	16/0
TWENT CENT	100	5	NCD	13.5	300.0	85.00	17/08/89	15.88	30.4,31.10	23/8/90	11/0
UNITECH	100	15	NCD	15.0	264.0	82.50	08/03/90	18.18	30.6,31.12	25/4/94	12/1
UNIV LUGGAGE	100	10	NCD	15.0	144.0	62.50	05/03/90	24.00	1.6,1.12	26/3/96	08/1
USHA MARTIN	100	5	NCD	13.5	934.0	80.00	06/04/90	16.88	31.3,30.9	29/10/95	01/0
V.I.P. IND	100	10	NCD	15.0	960.0	82.50	18/04/90	18.18	31.1,31.7	22/4/93	03/0
VARELI TEXT	100	10	NCD	15.0	862.0	80.00	02/02/90	18.75	31.3,30.9	30/6/93	09/0
VARUN SHIP	100	10	NCD	15.0	175.0	95.00	06/04/90	15.79	31.5,30.11	20/8/93	17/1
VOLTAS	300	1	NCD	15.0	900.0	280.00	02/03/90	16.07	28.2,31.8	1/3/91	01/0
VOLTAS	150	2	CD	13.5	300.0	132.50	18/10/89	15.28	30.6,31.12	30/6/91	01/0
W.I.ENTER	100	5	CD	15.0	615.0	92.50	07/03/90	16.22	1.10,1.4	12/6/95	16/0
ZENITH	90	10	NCD	13.5	480.0	80.00	07/03/90	15.19	1.5,1.11	20/7/92	20/0

Note: CD: convertible debenture; NCD: non-convertible debenture including debentures that were earlier partially convertible for which the conversion is over.
Debenture yield is calculated as a percentage of market price without adjusting interest due component. This can make a significant difference in actual return.
The fact that the debenture market is generally active can be surmised from the dates of last business done. Hence readers are advised to seek suitable professional advice before deciding.
All care is taken to ensure accurate and up-to-date information.

If you think you're
breakfasting at
Holiday Inn, Singapore,
you're thinking
an entire ocean too far.



Holiday Inn, Bombay, offers you
the same international facilities as any
Holiday Inn worldwide.

The service at the Holiday Inn, Bombay, holds a mirror to the finest Holiday Inns the world over.

We offer fine dining, superior accommodation, conference facilities, inimitable service, and of course, the value for money you've come to expect from any Holiday Inn worldwide...

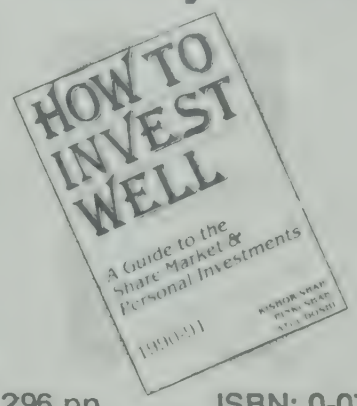
All the more reasons to choose us first.

Holiday Inn
Bombay
The World's First Choice

r information and reservation, please contact: BOMBAY: Holiday Inn, Iraj Sahani Marg, Juhu Beach, Bombay 400 049. Tel: 6204444/6202398. : 011-78411 HOLI IN/011-78404 HINN IN. Fax: (0091-22) 6204452 • NEW DELHI: oliday Inn, Connaught Plaza. Tel: 3320101. Tlx: 031-61186 HIND IN. 1: 3010211. Tlx: 031-65526 CLAR IN • BANGALORE: Tel: 77676/77931. s: 845-8668/2354 MACH IN • CALCUTTA: Tel: 412009. Tlx: 021-5421 AHMEDABAD: Tel: 448602 • PUNE: Tel: 661752.

EARN MORE! SAVE MORE!

Two handy guides show you how . . .



Rs 66

296 pp ISBN: 0-07-460360-4

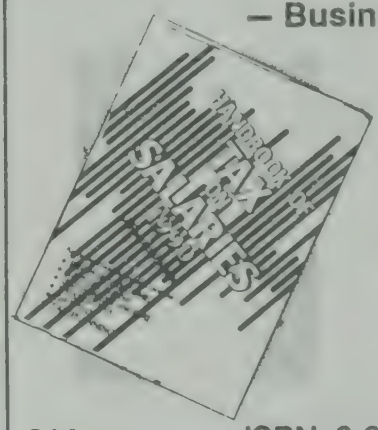
HOW TO INVEST WELL

A Guide to the Share Market & Personal Investments 1990-91

By
Kishor Shah * Pinki Shah * Atul Doshi

. . . the book scores a point on its information content . . . .

— Business World



Rs 87

314 pp ISBN: 0-07-460289-6

HANDBOOK OF TAX ON SALARIES 1990

By **V. Pattabhiraman**

. . . certainly a boon to every salaried tax payer . . . .

— The Times of India

. . . the author has made sincere and praiseworthy efforts in bringing out such an immensely helpful book....

— Chartered Secretary

Incorporating the Finance Act 1990, these new editions of two highly successful books are now on the stands!

Buy from your local bookstore or order from:

Interlink

Tata McGraw-Hill Pub. Co. Ltd.
4/12 Asaf Ali Road, New Delhi 110002

Split between a pair

The spurt in Tata Power has taken at least 10 per cent of the participants of Investor Contest IC 323 by surprise. Most of them expected it to be number two and DCW, *numero uno*. Nevertheless, we have two young participants who made to the dias. They are Pramod Jain and Gurudatha Nayak.

Scrips	Prices as on Tuesday 3 July 1990 (Rs.)	Prices as on Tuesday 31 July 1990 (Rs.)	Ranks
Auto Axles	31.50	39.00	3
Comet Steels	19.00	21.00	5
DCW	69.00	95.00	2
Mukand	135.00	156.00	4
Su-Raj Diamonds	47.50	47.50	6
Tata Power	777.50	1,280.00	1

Given below is a new list of six scrips, and their closing prices on 27 August 1990. Pick the share that you think will rise the most in percentage terms by 24 September 1990 and rank it number one. Then choose the one that you expect will rise the second most and rank it number two. Then number three, and so on till rank six. It's as simple as that!

So, in this Investor Contest, you don't have to predict the price of shares; you merely have to rank the performance (in percentage terms) on the basis of the prices you expect each to reach on 24 September 1990. You don't have to tell us either the prices or even the percentage changes you expect — only fill in the ranks from one to six.

Please note that if you assign the same rank to two scrips, then the following one should be ranked the next consecutive number. For example, if you rank two shares at number three, the next will be number four (in which case, of course, your last rank will be five).

Rules:

1. There is no entry fee.
2. The price mentioned last in the official quotation list will be taken as correct for purposes of calculation. If the stock exchange remains closed on the stated last day, the closing price on the prior day will be used.
3. Entries must be on the printed form given below. Any other entries will be disqualified.
4. Only one entry will be permitted per form.
5. Envelopes sent in should be marked Investor Contest. All entries should be sent to: Investor Contest, **Business India**, Wadia Building, 17/19 Dalal Street, Bombay 400 001, by 5 pm, 20 September 1990.
6. Business India's decision on the winning entries is final and binding, and no correspondence in this regard will be entertained.
7. The contest is open only to resident India. No employee (or any direct relatio an employee) of the **Business India gr of publications** is entitled to enter contest.
8. The prize of Rs.5,000 will not be car forward if there is no winner. In the ev that there is more than one winner, the p will be shared equally.

Name of scrip	Prices as on Monday 27 August 1990 (Rs.)	Rank as on Monday 24 September 1990 (please fill in number)
ACC	1,390.00	
Bombay Dyeing	331.00	
Cable Corporation	95.00	
Orkay	41.50	
Reliance Ind.	182.50	
Sesa Goa	127.50	

Name: _____

_____

Address: _____

_____

_____

Age: _____

Profession: _____

Date: _____

THE WHY AND HOW OF INDIA'S NUCLEAR POWER PROGRAMME.

Forty-two years ago,in 1948, the nation gave mandate to the Atomic Energy Commission develop, control and use atomic energy for welfare of the people of India. By ducing and supplying electricity without iation hazards to the public or plant sonnel. And also to ensure the safe disposal radioactive wastes.

The Department of Atomic Energy was ablished in 1954 to implement this mandate. cked by premier institutions such as Bhabha omic Research Centre (BARC) for research l development; Atomic Minerals Division MD) for prospecting nuclear energy sources; anium Corporation of India Limited (UCIL) processing uranium ore; Nuclear Fuel mplex (NFC) for fabricating reactor fuel; lian Rare Earths Limited (IREL) for cessing thorium and zirconium; Electronic rporation of India (ECIL) for trumentation and control systems; Heavy ater Division (HWD) for production of heavy ter; Waste Management Division (WMD) treatment of radioactive waste; Power actor Fuel Reprocessing Division (PREFRE) reprocessing the spent fuel. All partners in rseverance. And, through the innovative orts of NPC engineers, Indian consulting, nufacturing and civil construction firms, to gressively master the design and nufacture every major component ligenously.

HWR type — the mainstay of the Indian uclear Programme.

From the several reactor types available, lia has selected Pressurised Heavy Water actors (PHWRs) because of several inherent vantages. PHWR uses natural uranium as l with heavy water as moderator and lant. Natural uranium being easily available India, helps cut heavy investments, otherwise quired for enriched uranium; import of which ot possible due to restrictive international de practices. Besides, heavy water as a derator scores over graphite in reactor ety.

What's more, PHWR core containing natural anium is safer with its lesser reactivity and has -power, refuelling facility. Avoiding long and tly refuelling shutdown. Also, due to its ellent neutron economy, PHWR has a ater yield of plutonium.

ndian scenario — a three age programme.

ndia has planned a three stage programme benefit from the atom. ***In the present first ge,*** PHWRs use natural uranium fuel to duce electricity and plutonium fuel with 96% sed uranium (U238). The use of Fast eder Reactors ***in the second stage,*** with tonium as fuel will generate electricity and re plutonium from U238, kept as a blanket. will also produce uranium 233 fuel from rium, used as blanket material. ***In the third stage,*** U233 will be used as fuel and thorium as blanket, producing more U233 fuel than the fuel consumed in fast and thermal reactors. Helping us to make full use of our abundant thorium deposits ***to produce electricity for centuries to come.***

Inspite of the all-India nuclear contribution being a mere 2.6%, at State level as in Rajasthan and Tamil Nadu, it has been as high as 40%. That's why, although in the final analysis, nuclear power will contribute to just 10% of the total electrical capacity by 2000 A.D., its development is worth pursuing. As, in the long run, it will be a source to reckon with, especially in a scenario where conventional sources like coal and oil are known to decline at a faster rate. Besides, nuclear power is economical. A unit of electricity from the nuclear power stations at Tarapur, Rawatbhata and Kalpakkam costs ***40 to 56 paise per KWh compared with 60 to 90 paise per KWh*** from thermal stations in the respective regions.

Our 70 reactor-years experience has helped us considerably in improving the design of each successive power station, from Rajasthan to Madras to Narora. The Narora plant is the fore-runner of the standardized design, for all up-coming projects. Greatly reducing unit gestation period to about eight years.

INDIA'S NUCLEAR POWER PROGRAMME UPTO 2000 A.D.

	Station Capacity MWe	Cumulative MWe	Year of Commissioning (In service)
OPERATIONAL UNITS			
TARAPUR – (BWR) – 1&2	2 × 210	420	1969
RAJASTHAN – 1&2	2 × 220	860	1973, 1981
MADRAS – 1&2	2 × 235	1330	1983, 1985
NARORA – 1	1 × 235	1565	1990
UNDER CONSTRUCTION			
NARORA – 2	1 × 235	1800	1991
KAKRAPAR – 1&2	2 × 235	2270	1991, 1992
KAIGA – 1&2	2 × 235	2740	1995, 1996
RAJASTHAN – 3&4	2 × 235	3210	1995, 1996
UNDER SANCTION			
KAIGA – 3,4,5&6	4 × 235	4150	1996-1997
TARAPUR – 3&4	2 × 500	5150	1997-1998
RAJASTHAN – 5,6,7&8	4 × 500	7150	1998-2000
PLANNED			
KUDANKULAM – (PWR) – 1&2	2 × 1000	9150	1998-1999
NEW PROJECTS	6 × 500	12150	1998-2000

NPC. Taking the nation progressively forward.

To achieve a better standard of living today and to conserve our dwindling energy reserves for future generations, we would need an optimal mix of thermal, hydel and nuclear sources for fuelling India's growth needs. That's why NPC has just one major overriding goal. To harness the power of the atom. To help India achieve self-sufficiency in power generation for generations to come.

NPC. Fuelling a powerful future.

Want to know more about nuclear power? Send your queries to:

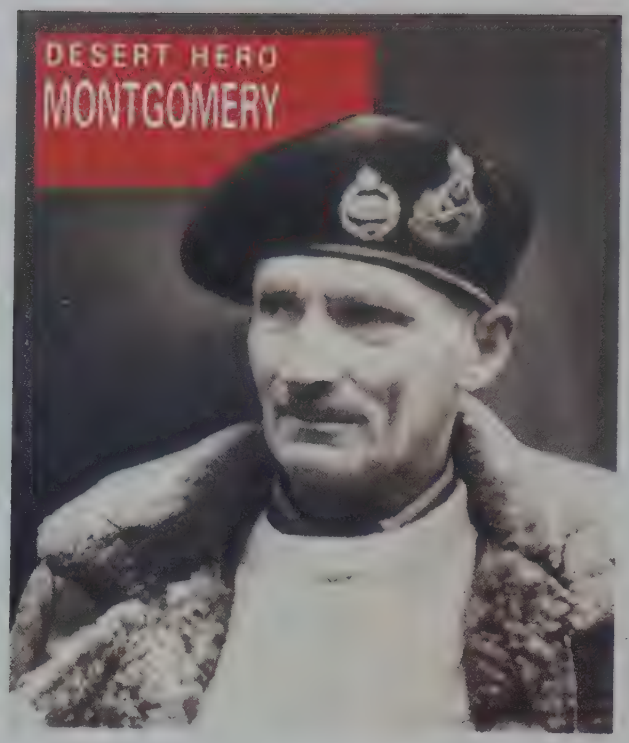
NUCLEAR POWER CORPORATION
(A Govt of India Enterprise)

Centre No. 1, 16th & 20th Floor,
World Trade Centre, Cuffe Parade,
Bombay-400 005.

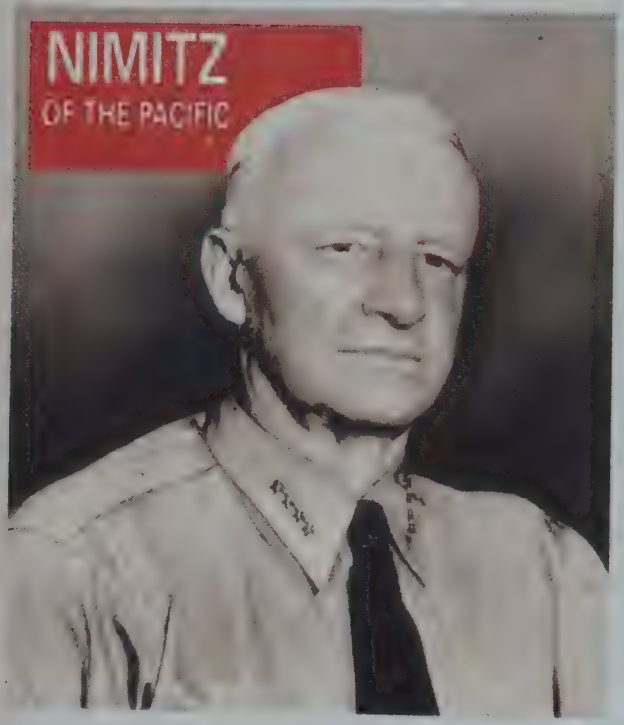
Issued for public information by the Directorate of Environment and Public Awareness — Nuclear Power Corporation.

CONTOUR-NPC-144B/90

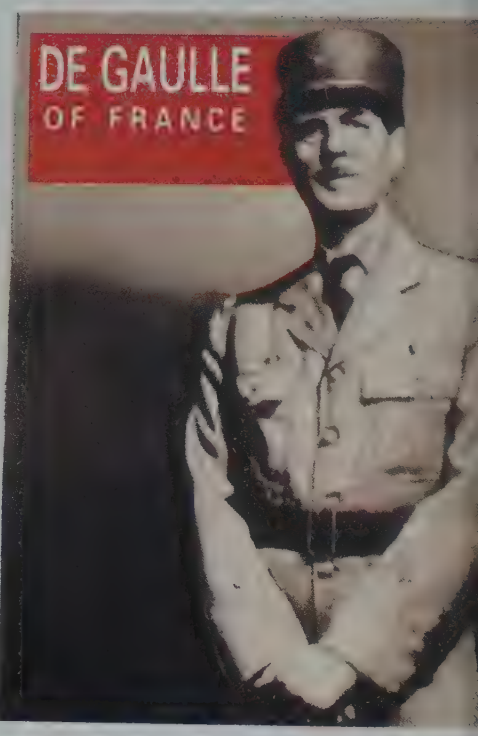




The software behind history's great campaig











Great generals have been the greatest software behind history's famous campaigns.

With the battle ground having shifted to the corporate world, the software behind the software today, is information technology - the strategic edge in organizational warfare.

Strategic Solutions from Intec. It's the ammunition today's generals need to guarantee the growth of their organisations amidst cut-throat competition.

nat weapons would they use today?

UNITED SERVICES: As systems consultants our services include complete Turnkey Project Management, Analysis and Design Services, Programming and Systems Software.

Corporate Training (for today's generals and their forces) includes top-management training for the strategic edge, advanced courses on all major RDBMSs, CASE, SSAD, UNIX and end-user PC based training.

ARSENAL: Besides structured Methodology Tools and IEW CASE tools our expertise on ORACLE, INFORMIX, INGRES and SYBASE is our major strength. Not to mention the dBase family, with 8 million lines of dBase code to our credit.

Which means we have the capability to develop solutions for you. On deadline. Across environments.

ALLIES: We have tie-ups with Attronica Inc., Washington, Cambridge Technology Group, Boston and INDEX Software Inc., New York. Through them we undertake global projects on IBM, DEC, UNIX and NOVELL platforms.

In fact our satellite link with Washington DC and IBM Mainframe 3090 also gives us immediate access to the latest technology leaps, minute by minute. (Advance Intelligence, so to speak)

CAMPAIGNS WON: Consider a few case studies from our project profile.

SIEMENS – Development of a fully on-line integrated Accounts Payable System using Informix SQL and Informix 4GL under UNIX – the largest Informix Database installation in the country.

BOMBAY DYEING – Completely integrated on-line Financial Accounting, Inventory Control and Purchase Function Applications for the DMT Division in a NOVELL environment.

OVERSEAS – For a very large hospital in the US, the development of a fully integrated Hospital Management System with Financial Accounting System using Oracle Version 6 on a large UNIX network.

We have also undertaken projects for MSEB, Tata Electric, Western Naval Command and Hindustan Lever.

We believe every case needs carefully structured, custom designed solutions delivered on time. We call it winning the battle and winning the war.

If you need solutions with the strategic edge, call us at 204 06 14, 204 37 49, 204 59 89. Fax: 204 96 86, 261 99 08



CONSULTANCY FOR CHANGE

Intec Systems Private Limited,21–C, Majithia Chambers, 276, Dr. D.N. Road, Fort, Bombay - 400 001.

O&M/PR/6743



BLUE CH

Expensiv
looking,
but
highly
affordab

Don't pay in Dollars

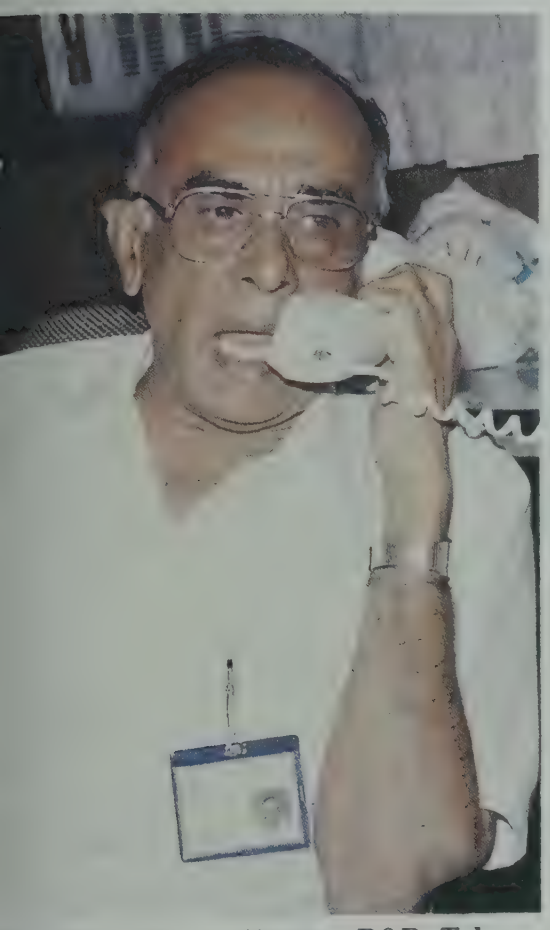
BLUE CHIP

SHIRTS-TROUSEP

A quality
product
from

VIP

A design in excellence



G.K. Rao, *60, is director R&D, Telco*

hen Tatamobile, the two-tonner pickup, tperformed Isuzu and Ford pickups of a milar capacity in the road handling tests London last year, it was a direct compli- ent to Kullaji Gopal Krishna Rao, direc- r, R&D, at Telco. Rao, in charge of Telco's ink tank, the Engineering Research Cen- e (ERC), has been responsible for the tally indigenous design of the Tata- obile.

Two more new passenger cars designed the ERC — Tata Sports and Tata Estate, be launched this year — will probably the director's swan song as he is due to tire early next year. In all his 35 years at lco, Rao has a wide list of achievements be proud of. For his outstanding contri- tions to the automobile industry, he s recently awarded the 1990 FIE Foun- tion Award.

mble beginning. Much sought after his expertise in the field of engineer- g, Rao is an active member of several rking groups run by the government of dia. "I was on the committee, along with Krishnamurthy, R.C. Bhargava and hers, which selected the Suzuki 800 odel for Maruti Udyog," he says.

Rao's illustrious career began quietly. 1952, at the age of 22, while working as apprentice with Hindustan Aeronautics Ltd at Bangalore, he took a diploma in mechanical engineering. He joined Telco in 1955 at Jamshedpur. By then, he also had an AMIE (mechanical engineering) under his belt.

Those days, Telco was still making steam locomotives and Rao joined the design group, which was responsible for the company's design activities. In 1959, he was selected by the government of India for postgraduate studies at the German Institute of Welding in West Germany. "It was here that I understood the meaning of German precision," he says. During his two-year stay, Rao worked in some of the best known German companies. "The training stood me in good stead in the following years," he says. On his return to India, he designed the country's first 500-tonne forging press for Telco. He also introduced several innovations in the design and manufacture of EOT cranes.

Obvious choice. Meanwhile, Telco's long association with Daimler Benz was coming to an end. In 1966, an R&D group was set up at Telco, which became the core of the ERC, established at Pune in 1968. Since its inception, Rao has been involved with the ERC, which today boasts of one of the best designing, manufacturing and testing facilities for automobile prototypes in the country.

Rao, deputy director since 1972, took over as director in 1980. He was intimately associated with several new technologies introduced by the ERC. These include the direct injection diesel engine for heavy vehicles, development of the synchromesh gear box and later the turbocharger. The two new passenger cars, which Rao says were "more troublesome than bringing up babies", are the latest fruits of the research of K.G.K. Rao and his men. Telco recognised Rao's tremendous contribution to its R&D by co-opting him on the board of directors in 1985.

A collector of original miniature car models from the world over, the much-travelled Rao is planning to write a book on the history of automobiles after he retires. "I am collecting data from all big automobile manufacturers, like General Motors, Ford, Porsche, Renault, Volkswagen and, of course, Mercedes Benz whose culture has grown on me due to the long association," he says with a wistful smile.

■ ROOP KARNANI

FRONTRUNNERS



As regional sales manager, western India, of Cadbury India's icecream division, **Pradeep Mansukhani**, 32, looks after the marketing and overall management of Cadbury's Dollops icecream and the franchising of its Lopstop parlours in Bombay.

Earlier, Mansukhani, a chemical engineer from the Indian Institute of Technology, Kharagpur, worked with Cadbury's for three years in its technical division. He quit to pick up a management degree from the Indian Institute of Management, Bangalore. In 1985, he rejoined Cadbury's management information systems division, where he worked until he joined the icecream team last year.

"I like new ventures where I can work out my own system of functioning and getting results," he says. With Cadbury's eyeing the competitive Gujarat market, he expects to have enough interesting work on his plate for the next few years. "Eventually I'd like to be in total charge of operations, wherever I am," he says. – S.S.

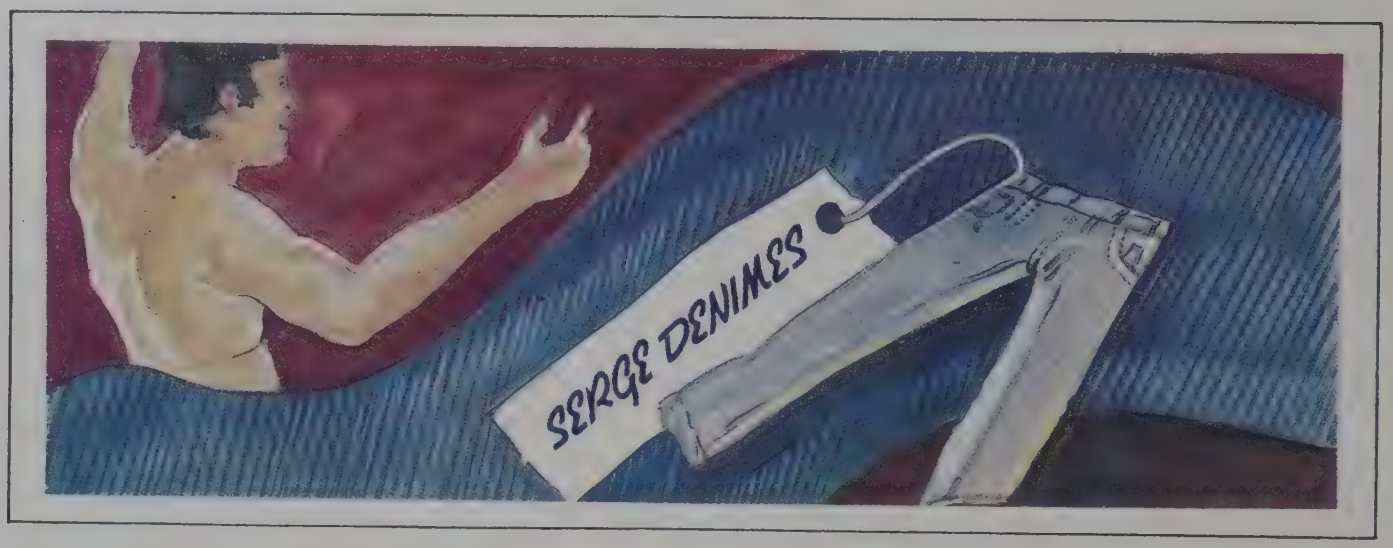


For the last two years, **Shantanu Rastogi** has been sitting pretty as the foreign exchange head of Citibank. He began his corporate career in 1980, when he joined the Reserve Bank of India as manager in the department of external investments and operations in Delhi.

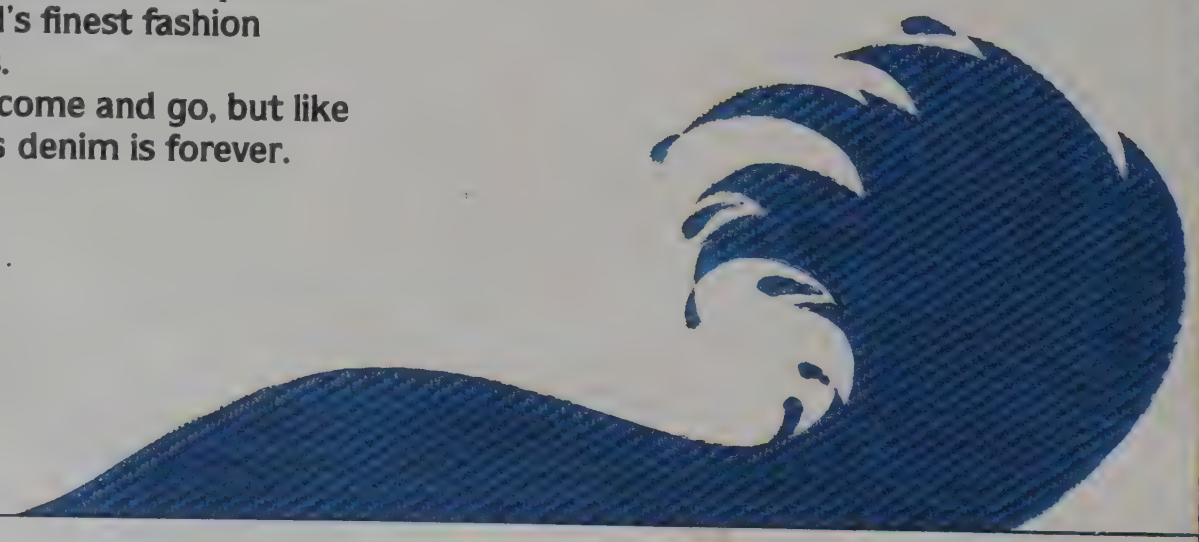
The 34-year-old, Lucknow-born, management graduate from Delhi University moved to Bombay in 1984, as a 'bond trader' in the foreign exchange department of RBI. Four years ago he joined Citibank "to view things not as a regulator but as a business manager." And since then he has not looked back.

Rastogi attributes his success mainly to effective people management. As he puts it, "I can retain and cultivate a dedicated team of professionals who are able to deliver premier customer services." – S.K.

The people who created 'Amadeus', have caught the eye of Europe's most creative fashion designers.



* Modern Suitings who created the superfine Amadeus range of suitings are all set to bring greater glory to Indian Denim.
* Modern Suitings is now setting up a new 100% EOU Project to manufacture 7.2 million metres of quality denim for export to the world's finest fashion designers.
* Fashions come and go, but like diamonds denim is forever.



Sobhagya/171/90

Modern
Suitings Limited
Regd. Office : D-22, Moti Dungari Road,
Jaipur-302 004.

Be a part of the Modern Blue Wave.

TNESS PROGRAMMES

ighting the flab

r objectives are simple: to help people ok trimmer, feel better and achieve re. Using a time-honoured mix of sensi- eating and moderate exercise, Dr. Swati amal, the young medical director of pikrishna Piramal Hospital in Bombay, s been helping busy corporate execu- es lose weight and improve their physi- fitness.

And, just two months after its introduc- n, Piramal's Corporate Wellness Pro- amme is doing reasonably well. Several the 30-odd people who have gone rough her four-week plan have nothing t praise for it. "The striking difference is e waist — mine has shrunk from 38 ches to 33," says Dilip Nadkarni, himself orthopaedic surgeon. "I feel a lot better w," agrees G. Shenoy, a senior executive Siemens (India) Ltd, who was intro- ced to this programme by his doctor af- Shenoy's stress rdiogram showed rly evidence of art disease. To ake matters worse, enoy had high ood pressure, ich is now under ntrol. Dorothy Tri- kekar, who was ossly overweight hen she first came Piramal a few eks ago, is also im- essed.

What makes Pira- al's plan succeed? lost people are told their doctors to se weight or to re- ce their choles- rol but many of em don't know here to start," ex- ains Piramal. Her solution lies in the m of several exhaustive and closely onitored dietary charts. Separate lists each week specify what foods may be nsumed in what quantity and have dif- ent choices for vegetarians and non- getarians.

tter eating habits

tients are also given guidance on how to the right food. "Far too many people ve atrocious eating habits," says Pira- mal. One of her favourite examples is that of a manufacturer of cotton socks, who would skip lunch and sometimes even breakfast and, then at five p.m., eat a snack consisting almost entirely of potatoes! To set such people on the right track, meetings are held every Saturday morning for about 45 minutes where Piramal or Anar Shah, a nutritionist, explains the principles behind the programme.

This is the key to any weight control plan, and according to some experts, the weak point in Piramal's scheme of things. "Does the patient really get educated?" asks Dr. H.B. Chandalia, a professor of medicine, who runs his own weight control clinic in south Bombay. The answer lies in a long-term follow-up to see whether the patients are able to maintain the weight at which they finish the course. Piramal, of course, has yet to include a follow-up schedule, possibly because her programme is still quite new.





The gym at Piramal hospital: toning up flaccid muscles and (inset) *Swati Piramal*

The programme at Piramal Hospital also lays a lot of emphasis on a graded schedule of exercises drawn up by Pesi Patsha, a trained physical instructor. These exercises have to be performed for at least half an hour, three times a week, in order to tone up the various muscles and to increase the person's stamina.

"Muscles tend to become flaccid and loose within 48 hours, if not exercised," says Piramal. So, she insists that all those who join her programme adhere strictly to their schedule. Here again, she differs from several others in the same field. "The exercises should require a minimum of gadgets and implements, so they can be performed at home," says Chandalia. "Also, the important thing is the total quantum of exercise, not the intensity."

Other factors masked

However, the Piramal programme, and most weight reduction regimens, draw the criticism that stress on diet control masks some other factors which usually play a role. One of these is that, if two individuals do the same amount of work — say walk the same distance — a fat person uses up fewer calories than someone who weighs less. A lean athletic frame moves more quickly than a heavier one and the so-called associated movements (like waving of arms during walking) are more.

Another view, which is gaining credence in western countries, is that some people have "wasteful pathways" through which a great deal of energy is dissipated during any form of activity. Not surprisingly, they can tuck away any number of small meals without developing a paunch. In other words, there is no simple equation between body weight, dietary calories and exercise.

Physical fitness is, to some extent, dependent on each person's state of mind. A great number of people who join the Piramal programme are anxiety-prone, highly strung individuals who need to make significant changes in their lifestyle. These people would, perhaps, benefit more from organisations like the Yoga Institute in Bombay than from one-track weight loss and fitness programmes.

■ SUMIT GHOSHAL

Say ‘good morning’ in Frankfurt.
Have a good day anywhere in Europe.



On Lufthansa you arrive in Frankfurt early in the morning. At just the right time to begin your day. Or catch your connecting flight to any major city in Europe or beyond. It’s all part of Lufthansa’s commitment to help you meet your growing business commitments. Swiftly, relaxed and on time.

Lufthansa

Evoking organisational spirit

ne organisation has long had a tradition
iat on the last day of the year all em-
loyees voluntarily produce the maxi-
ium possible output that is physically
ossible. On that day there is an electric
tmosphere, abundant energy, healthy
ompetition between shifts and depart-
ients and a final, massive result. For one
ay in the year.

That human beings can tap into vast re-
erves of energy in a free, voluntary mo-
ient of commitment is widely accepted.
ut what is much more difficult to con-
ont is that in industrial organisations,
l of us tend to sink back into a limited
vel of consciousness, and tend to leave
ur systems on a robotic overdrive, allow-
g events to play themselves out more-or-
ss unimpeded and uninfluenced.

The task of economic and social devel-
pment in our country is to nurture organ-
sations and in them, such systems,
tructures and processes, by which indi-
duals and groups freely access reserves
f energy hitherto untapped. Only such or-
anisations can move steadily to greater
evels of achievement and consciousness.

urturing good health

uch a task is much more in the realm of
ie sacred than the profane. The challenge
leaders in industry seems to be to create
ie context for the spirit of the organisa-
on continually to manifest itself and to
uffuse it with purpose. We are really in
eed today not of a technology to deal with
rganisational ill health alone, but a
ethodology for fostering and nurturing
ood health. This is what HRD is all about.

Just as there are stages in the formation
f consciousness in an individual so also
iere are stages in consciousness forma-
on within organisations. As the indi-
idual moves from dependency to
bellion through independence to inter-
ependence, so also do industrial organ-
ations grow from power orientation, into
le-oriented bureaucracies and then
rough an achievement culture into what
uld be called work communities. Most
ganisations in India seem to be in a
wer oriented culture.

This culture is one which is charac-
rised by individual power brokers or
werful persons. Closeness to them and
mpliance with their leadership really
come the primary tasks of individuals
ho, by implication, adopt postures of de-
pendency. Indeed our organisational cultures in India are characterised by dependency on powerful union leaders, and key managers who are fantasised as sources of well being by their clients.

The problem with paternalism, however benevolent, is of two parts: firstly, the flip side of benevolence is tyranny and despotism; secondly, for each paternalistic leader one requires a large number of admiring and quiescent children.

The task therefore, is to shift the consciousness of our organisations steadily from one level of orientation to another. Our goal is nothing less than recreating organisations in which adults join voluntarily together to produce value for society joyfully through their work.

Evocation technology

And the only way this challenging goal can be achieved is through the use of what has been called evocation technology: that which evokes a high level of commitment and involvement.

We are really in need today not of a technology to deal with organisational ill health alone, but a methodology for fostering and nurturing good health

Evocation technologies have been used by leaders of the community in our country for centuries. To make sense, such technologies must be built around the values and beliefs of the community. They must enable the individual and the group to perceive and respond to a wider reality and purpose.

A shift in the consciousness of organisations can only take place provided the leadership for such a shift exists and provided also that there is a critical mass of employees with vision who will join in the effort to "shift" the organisation.

The process of shifting is inevitably painful just as it is ultimately rewarding. Such a shift brings about the death of old, closely-held beliefs and ways of doing things. It also implies the birth of a new way, a new ethos for the organisation and a new set of values.

Many organisation thinkers believe that unless the organisation is facing a crisis, it is likely that a shift in consciousness may not be easy. Maybe this is true. But India is a country in crisis. Indian organisations, public or private, whether industrial or otherwise, are in a state of deep crisis with incredibly low productivity and commitment. All levels of employees — workmen, supervisors and many managers — are alienated from their work, out of reach with their personal and collective objectives, performing at a fraction of their full capabilities, and unable to create contexts for their own and their organisations' growth.

New plane of performance

It is in this context that we must re-examine our human resources strategies, including the one that is being legislated upon in Parliament to secure workers' participation in management. No doubt such legislation will have far reaching consequences for the way companies are managed. No doubt that it is critical to carefully examine the legal phraseology and the implications of the bill. However, it must also be recognised that it is really an effort on the part of the state to introduce an evocation technology, one by which and through which companies can seek to shift their organisations onto a new higher plane of performance and well being.

It was mentioned at a recent seminar, that while everyone says that participation is necessary, all agree that the time is not right for its implementation. As much time as is spent on examining the bill should also be spent on planning how to prepare the ground for ensuring its success.

No government can enforce true participation; one cannot legislate on something that is purely voluntary. That is a contradiction in terms. However, that true participation must be an essential component of our HRD strategy is clear. The bill provides a structure. The choice lies with the unions, the organisation leadership and all employees; whether to take the risk, and empower themselves or whether to let the chance go by, as many choices have slipped by us in the past. In the latter event, the future will be unforgiving.

■ R. VIDYASAGAR

The author is general manager, personnel, VST Industries Limited

CHAIRMAN'S SPEECH

Delivered at the Nineteenth Annual General Meeting

ICDS Ltd.—Growth round the decade

Industrial Credit & Development Syndicate Limited

REGD. OFFICE: SYNDICATE HOUSE, MANIPAL - 576 119

Dear Shareholders,

Liberlisation of the industrial and government policies coupled with increased agricultural production during the last decade has resulted in a buoyancy in the Indian economy leading to tremendous change in the average consumer's purchasing power. The financial services industry through its wide range of services has bridged the gap between the organised banking sector and the small & medium investors in addition to playing an active role in financing the needs of industry and individuals. This industry has offered the twin advantages of speed and growth to borrowers and investors.

It was at the turn of the last decade that, your Company hitherto engaged in making loans, entered the broader arena of financial services. ICDS Ltd. has been successful to deploy funds of over Rs. 120 crores from a mere Rs. 6 crores fund base in 1981. A growth of over 1900%. Similarly deposits from public has increased by a staggering 6092% rising from Rs. 1.19 crores to Rs. 73.21 crores, This massive growth has helped position ICDS Ltd. in league with the top companies in the financial services industry.

Financial Performance

Your Company's operating profit for the year under report has been impressive rising to Rs. 17.75 crores compared to Rs. 8.68 crores for the eight month period of the previous year. The net profit after providing for depreciation and taxation stands at Rs. 3.22 crores.

The Board has proposed a dividend of 25% on the equity shares which will absorb Rs. 75 lakhs.

New Business

To ICDS Ltd., Hire purchase and leasing were the major contributors bringing in a combined income of Rs. 15.69 crores. Hire purchase income rose by 32% to Rs. 11.43 crores and lease income rose by 41.6% to Rs. 4.26 crores. New hire purchase business worth Rs. 41.25 crores was written resulting in increase in stock on hire from Rs. 45 crores to Rs. 66.47 crores.

Funds Mobilisation

The year ended 31st March, 1990 has proved once again that competition brings about excellence. And that's what your Company has attained. In areas like funds mobilisation the Company's performance is creditable. **Deposits from public went up to Rs. 73.21 crores, as of 31st March, 1990. Viewed in the context of statutory amendments raising the minimum period for acceptance of deposits, the net accretion of Rs. 17.11 crores during the year is again a remarkable achievement.** During the year under review, your Company was successful in getting sanctions from banks and financial institutions to the tune of Rs. 16.80 crores by way of term loans and cash credits.

ICDS Ltd. — A decade's performance

(Rupees in crores)

	1979-80	1989-90
Advances & Investments	5.59	**107.94**
Deposits	1.19	**73.21**
Capital & Reserves	1.67	**17.74**
Operating Profits	0.74	**17.75**

CRISIL Rating

The FAA + CRISIL rating to the Company's fixed deposit schemes is a pointer to the credibility enjoyed by your Company. At this juncture I would like to reiterate the point made in my statement to shareholders at the previous Annual General Meeting. CRISIL rating should be made mandatory to all Companies accepting deposits from the public — specially in the financial services industry. This step, I feel, will make the industry more healthy.

Industry gets a foothold

Hire purchase and leasing continue to remain profitable areas. Removal of Section 115 J of the Income Tax Act has come as a blessing. These positive factors have attracted major banks to enter the industry through their subsidiaries. The new entrants should be welcomed more specially by larger companies like ICDS Ltd. This paves the way for laying new parameters enriching the soundness of the industry as a whole.

Subsidiaries

All the three subsidiaries have repeated a good performance for the year under report. Canara Security Press Ltd. engaged in printing of security items like cheques, dividend warrants, lottery tickets etc., has registered an overall growth of 16.54%. Blue Cross Builders and Investors Ltd. engaged in property development is a force to reckon with in Bangalore city having successfully executed projects like Manipal Centre, Naveen Apartments & Midford House. This Company is now executing Sunrise Chambers. Manipal Investments Ltd. engaged in portfolio management has also reported excellent performance.

Manipal Centre

Your Company's prestigious project — Manipal Centre is also Bangalore city's architectural beauty. This project has received excellent response from corporate and individual property buyers.

A Hotel Project

Bangalore the fastest growing cosmopolitan metropolis in the country, also called a convention city, offers vast scope for the hotel industry. In order to cater to the needs of the executive business class your Company is constructing a three star hotel which will be a part of Manipal Centre. This new project is expected to add to the Company's growth and revenue.

Prospects — very bright

Your Company has consistently put on a good show in all activities attempted to date. The past and the present are pointers to a bright and promising future.



Manipal
21st June, 1990

T. RAMESH U. PAI
Chairman & Managing Director

Carrying forward a tradition of trust

Note: This does not purport to be the proceedings of the Annual General Meeting of the Shareholders



It was meant to be a 15-day export promotion tour of the ulf region and his first trip broad. **Udayan Paranjpye** omco's export manager, ended p spending the better part of hree weeks cooped up at the ontinental Hotel in Kuwait lisening to BBC and VOA, not very ar from the Emir's palace. The ay the tanks rolled in, Paranpye was scheduled to fly to ahrain, his next halt. But that as not to be.

"When our agent (the Kuwait ndo Trading Company) telehoned and gave me the news, I hought they were fooling," says aranjpye. He soon realised it as no joke when he saw a fleet f 70 helicopters darkening the ky outside his hotel room. Parajpye eventually "fled" by road – 33-hour journey to Baghdad, hen Amman and from there an ir India flight brought him ome to his anxious family. A appy ending to an "unintended dventure", as he puts it.

Maybe we were a little behind schedule in our earer write up on actress **Tina Munim**. Here's the latest update n her corporate career. Having abbled in garments a while, she now on to what some might onsider more slippery ground. Munim is working for Swastik urfactants Ltd (SSL), an exarabhai group company that anufactures detergents and oiletries (Shikakai soap, Det nd Genteel). Corporate obervers might recall that SSL as seen fairly turbulent times, f late. The company changed ands again last year when it as taken over by NRI businessan R.M. Shah, Tina's brother-n-law. Munim is looking after dvertising and new products at is family concern.

President **R. Venkataraman** went down memory lane tring his recent trip to Madras. is well known that the small ale industry in Tamil Nadu urished during his tenure as e state's industries minister. ddressing a seminar on small ale industries, he said, "It is ly skills in Tamil Nadu which ve enabled our industries to succeed. The state has no natural facilities, no steel, coal or even water." Then he went on a visit to the Guindy Industrial Estate, which was a showpiece in his time. There he launched Microtherm, a new flask.

Another highlight was his presence at the celebrations to commemorate 150 years of Simpsons, an Amalgamations group company. He unveiled a bronze bust of founder S. Anantharamakrishnan, who was his close friend. He also chose to dwell on a bit of praise at the occasion, "The private sector has remarkable strength and ability to handle multi-crore sophisticated projects which were beyond it a few years ago."

By now, he has become used to winning awards and being felicitated. So, when **S.L. Kirloskar** was recently presented with the Rotary Excellence award in Pune, instead of being overawed, the veteran industrialist chose the occasion to speak his mind out. He lamented that Pune, the city he loved so much, was getting dirtier by the day. "Instead of felicitating me, you should spend your time getting better civic amenities for Pune and keeping our city clean," he told the assembled Rotarians.



SL, as he is popularly known, laid the blame for Pune's deteriorating conditions as much on its citizens as on the civic authorities. "The concept of cleanliness is missing in us Indians," he said. "In our society, a dirty man is more readily accepted than a person with clean habits," he says. Believing in deeds rather than in mere words, SL has instituted a "Clean School Award" in Pune. He was the first president of the Society for Clean Cities, Pune branch, and still plays an active role in the society's activities.

AGMs are not normally occassions for cheering company officials, even if they happen to belong to one of the best run and most profitable companies. Naturally, then, what happened at the Asian Paints AGM recently comes as a surprise. As soon as **Bipin Jhaveri**, company secretary and senior general manager, finance, took his place on the stage at Patkar Hall in south Bombay, the large turnout gave him a standing ovation. The reason? Jhaveri had come straight from Breach Candy Hospital, where he had undergone bypass surgery only 10 days earlier.

"The fact that Bipinbhai has made it a point to attend the meeting in his present condition shows his attachment to our company," said one shareholder. Others were equally effusive in their praise. "He has worked long and hard as company secretary, it's now time to promote him to the board of directors," one of them recommended. For Jhaveri, who had joined Asian Paints as a salesman 28 years ago, that will be some achievement.

Forgotten in the hoopla surrounding his sixers and fours, is an Indian industrialist's contribution towards shaping Sachin Tendulkar's cricketing career. In April 1988, — the batting prodigy had scored a record-breaking 666 in the second wicket partnership with Vinod Kambli while playing for his



school in the Harris Shield cricket tournament. Realising that such bright talent could be nurtured with the right kind of encouragement, **Atulya Mafatlal**, vice-chairman of Sungrace-Mafatlal, "adopted" the youngster by sponsoring him.

Mafatlal, it was decided, would henceforth pay for Tendulkar's education. He would be supplied with cricketing gear throughout the year and also provided with Rs.200 worth of scholarship money every month. And even as Mafatlal finalised plans to sponsor Tendulkar for a coaching stint abroad, the latter made it big by becoming a regular member of the Indian team!



RALSON
CARBON
BLACK
Born Out Of Indigenous Technology

RALSON (INDIA) LIMITED **(UNIT RALSON CARBON)**

HEAD OFFICE : B-108, MAYAPURI PHASE-I, NEW DELHI-110 064. PH : 591574, 5417608 FAX : 5417745 TELEX : 031-76024 RALD-I
REGIONAL OFFICE : C-11, 1050, DAMODAR CENTRE, AVINASHI ROAD, COIMBATORE-641 018
AGENTS PHONES : AHMEDABAD : 381189, 338841; BANGALORE : 572661; CALCUTTA : 284413; NEW DELHI : 3273448, 327354
DELHI : 773132, 776233; FARIDABAD : 23870; INDORE : 34516; JALANDHAR : 74032, 76868; JAIPUR : 74802; KARNAL : 2546PP;
LUDHIANA : 61945; MEERUT : 78238

श्री

It's significant that, 25 years ago, we started with "SREE". To begin our contributions to innovative packaging in India

25

SILVER JUBILEE
1966–1991

And, since then, Sree Prakash Finance Corporation has been joined by 11 more companies in the Bliss Group. Each company bringing its expertise in a specific packaging field to provide uncompromising quality and reliability in diverse products for varied applications.
In–house R & D efforts harness the inherent advantages of natural and synthetic fibres, leading to a range of products that keep pace with the ever–changing needs of industry.
The BLISS GROUP product range:
Water proof papers
□ Laminated jute bags
□ Bitumenised, Poly extruded & Waxed papers □ Coated & reinforced gunny products.

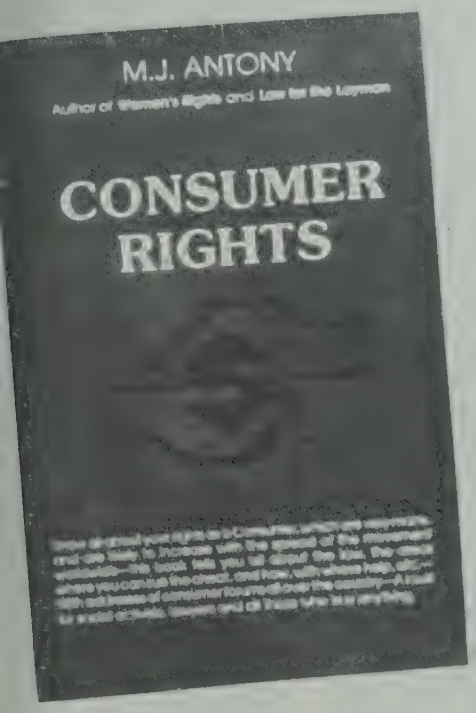
BLISS GROUP

"Gorantla Nilayam"
5, Sir Thyagaraya Rd.,
T. Nagar,
Madras 600 017.
Phone: 447168 (3 Lines)
Grams: STANPACKS
Telex: 41–6751 BLIS IN

Pioneers in the development of revolutionary collapsible JUMBO BAGS for BULK TRANSPORTATION of powders & Granules – 500 to 2000 Kg. capacities

The BLISS Group : Standard Packagings □ Sree Prakash Finance Corpn. □ Sudhakar Financiers □ Standard Paper Industries Corpn. □ The Industrial Trading Corpn. □ Polycoat Packaging Industries □ Balaji Trading Enterprises □ Lavanya Enterprises □ Balaji Trading Enterprises (P) Ltd. □ Gorantla Farm □ Bliss Benefit Fund Limited □ Sudhakar Industries

Making them aware



NSUMER RIGHTS
M.J. Anthony
rion Books, New Delhi, 1990,
126, Rs.120

e last two decades have seen the spot-
nt turned on three movements world-
le — the feminist, the environment and
consumer rights movements. These
ee areas have, in fact, all come to be
luded as subjects for study, in colleges
l universities, in recent years.

n India, the oldest consumer protec-
n body, the Consumer Guidance Society
ndia (CGSI), is now in its silver jubilee
r. The CGSI, together with a few other
anisations, has been making vigorous
rts to mobilise public support for con-
ner rights. But, unfortunately, the doc-
entation available on consumer rights
neagre. The publication under review is
refore a welcome addition, especially
t is intended to be of help to consumers.

he author covers most of the basic is-
; relating to the rights of consumers,
the ways and means of seeking re-
sal when they have a legitimate griev-
e. The orientation is legal, with the
nt on listing and describing many of
laws on the subject on the statute
ks. The language used is simple
gh to enable even the lay reader to
erstand the intricacies of the legal re-
ies available and the nature of the pit-
in the path of the consumer. The
er thus has an overall awareness of
t to steer clear of, and what to insist on
ne's rightful due, whether it is a petty
purchase or a major outlay.

There are chapters on misleading advertisements, food adulteration and where to complain in case of a raw deal. Also included are explanations of what the Agmark and ISI (Bureau of Indian Standards) certifications and the Monopolies and Restrictive Trade Practices (MRTP) commission do to assist citizens. However, the book ought to have taken note of some of the precedent-setting legal verdicts won by individual citizens as well as by activist groups in recent years (in insurance claims, for instance, or the Ahmedabad case of pulling up a public analyst for corruption, and suing the civic authorities for negligence in their mandatory duties of providing basic amenities). Since apathy and diffidence are among the main causes of the poor state of consumer awareness in our country, the inclusion of a few of these inspiring rulings could perhaps spur the average reader to action.

The reader thus has an overall awareness of what to steer clear of, and what to insist on as one's rightful due, whether it is a petty purchase or a major outlay

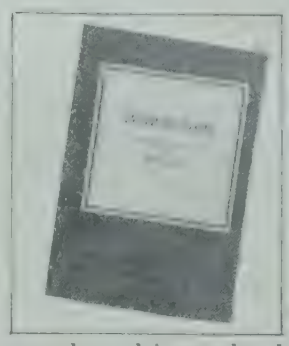
On the same score, public utilities — the chapter on which is just two pages long — could have been dealt with in greater detail, especially since it is poor public utility services (like transport, posts and telegraphs, electricity, water supply and civic amenities) which have become the bane of citizens and an area of the greatest dissatisfaction today.

The presentation, format and get-up are good. Included at the end are the names and addresses of consumer organisations in every state. Oddly enough, the introductory note by the editor is badly written, comparing unfavourably with the main text which is readable and informative.

■ SAKUNTALA NARASIMHAN

The reviewer is the vice-president of the Consumer Guidance Society of India (CGSI)

Skimming the surface



REMINISCENCES AND REFLECTIONS
By Bharat Ram
Vikas Publishing House, 1990,
pp 145, Rs.150

Indian businessmen rarely achieve the kind of popularity or media acceptance as do their counterparts in the developed world. One of the main reasons for this is that in a country like India with a mixed economy, the capitalist is generally viewed with suspicion and admired grudgingly, if at all. Keeping this in mind, it must be conceded that it would be difficult for any contemporary Indian businessman to have a public impact like that of an Akio Morita, or come out with a bestseller of an autobiography *a la* Iacocca.

Even after accounting for the prejudices prevailing in this country against businessmen, *Reminiscences and Reflections*, Bharat Ram's autobiography, fails to impress the reader. No single chapter or page holds your attention, even as Bharat Ram flits from topic to topic. You learn, among other things, that Bharat Ram started as a job hand in DCM despite being the son of Lala Shri Ram, and was good in sports, especially cricket. In a rambling fashion, the author touches upon science, mysticism, drug addiction, his friendship with Gandhi and Nehru, the Boston Tea Party and ugliness and squalor in Indian cities. He also deals with ethics and the *Vedanta* in a similar manner, and comes to the hardly original conclusion that debates in religion and philosophy will never cease as long as people think and ask questions. The cumulative effect of all this is a tendency to philosophise at every stage, a malady to which most successful Indians are susceptible.

Bharat Ram devotes a whole chapter to his father and this is perhaps the only interesting area in the book, Lala Shri Ram being the founder of the empire that Bharat Ram and the family have inherited.

To sum up, the book is at best an exercise in historical narration coupled with some elementary dialectics, and would not make much headway with the businessman, student or layman looking for inspiration.

■ GOVINDRAJ ETHIRAJ

Vanaspati. Alloy Steel Castings. Textiles.



Our Diverse Activities Are In Perfect Harmony.

Vanaspati, Alloy Steel Castings, Textiles. At Oswal Spinning, strategic diversification contributes to rapid growth. And a continuous programme of modernisation, diversification and expansion has helped us achieve higher levels of productivity & profitability.

We continue to make major investments in our future. We have now embarked on a Major expansion/Modernisation plan at an outlay of Rs. 1418 lacs—doubling the capacity of our Vanaspati unit to 15,000 TPA and setting up a 200 TPD solvent extraction plant. All geared to take the Company to new heights in turnover and profitability.

To part finance the ambitious expansion-cum-diversification programme Oswal Spinning is making a Rights cum Public issue of 3,84,380 14% Fully Convertible Debentures of Rs. 200 each for cash at par and invites investors to share its prosperity.

HIGHLIGHTS

- Well established, profit making, company.
- Regular Dividend payment since 1986.
- Diversified activities in high growth areas—Vanaspati, Steel Textiles.
- Now undertaking major expansion and modernisation, —doubling of Vanaspati capacity to 15,000 TPA and setting up 200 TPD Solvent Extraction Plant.
- Full conversion into Equity Shares—50% after six months and balance after eighteen months, of allotment.
- Preferential Allotments to UTI, LIC Mutual Fund, SBI Mutual Fund and Canbank Mutual Fund for Rs. 200 lacs the public issue..
- Listing at Ahmedabad, Bombay, Calcutta, Delhi and Ludhiana Stock Exchanges.
- Interest @ 14% p.a. payable half-yearly

Oswal SPINNING FULLY CONVERTIBLE DEBENTURES

Vanaspati • Steel • Textile

LEAD MANAGERS TO THE ISSUE

SBI Capital Markets Ltd. New Delhi

Industrial Finance Corporation of India New Delhi

CANBANK FINANCIAL SERVICES LTD. (Wholly owned by Canara Bank) New Delhi

PNB CAPITAL SERVICES LIMITED Ludhiana

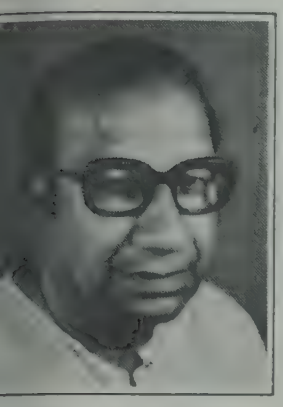
RIGHTS ISSUE OPEN
PUBLIC ISSUE OPENS: 10TH SEPTEMBER, 1990

oswm

OSWAL SPINNING & WEAVING MILLS LTD

Registered Office: Oswal Road, Industrial Area 'A', Ludhiana 141 003.

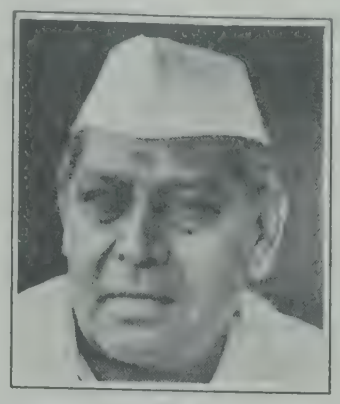
Share the rewards of well diversified growth



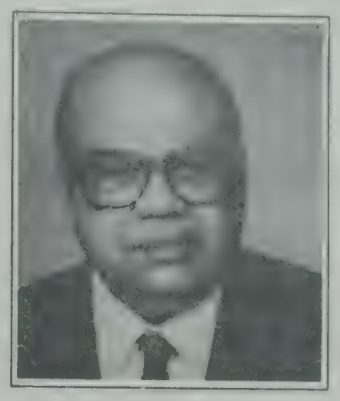
yut Thaker has been ointed chairman of arat Small ustries Corporation



Prahladbhai Patel has been appointed chairman of Gujarat Industrial Development Corporation Ltd.



Jayrambhai Patel has been appointed chairman of Gujarat Mineral Development Corporation Ltd.



V.P. Jayakumar has been appointed executive director, personnel, of Hindustan Zinc Ltd.

Ratan Tata has been appointed director of Haldia Petrochemicals Ltd.

M.L. Nangia has been appointed vice-president, customer services, of Digital Equipment (India) Ltd.

Girish Paliath has been appointed branch director, Madras, of Business Consulting Group.

Girija P. Pande has been appointed general manager, investment banking, of ANZ Grindlays Bank plc.

V. Krishnaswamy has joined Hexaware Infosystems Ltd as project manager.

K.C. Chaudhary has been promoted as general manager, international operations, of Bank of Baroda.

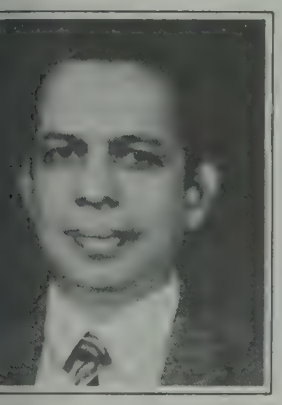
S.N. Menon has taken over as managing director of West Bengal Industrial Development Corporation Ltd.

Dinesh Desai has been appointed chairman of Maharashtra Small Scale Industries Development Corporation.

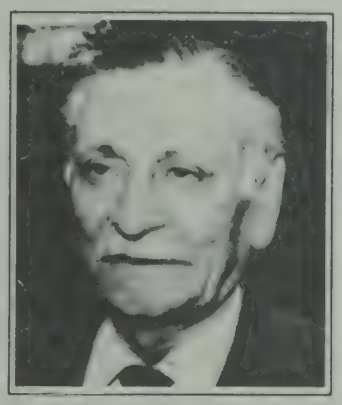
P.K. Laheri has taken over as industries commissioner, Gujarat.

K. Pushparaj has taken over as executive director, marketing, of Fertilisers and Chemicals Travancore.

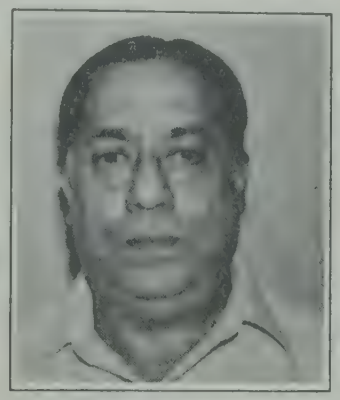
J. Lalithambika has taken over as chairman of the Rubber Board.



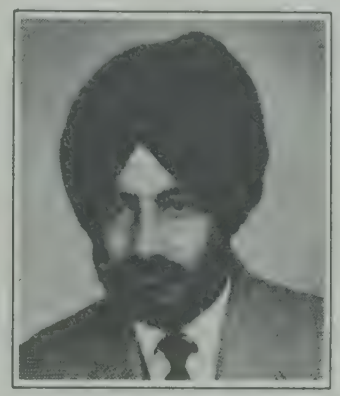
Kumar has been ointed director of hin Refineries Ltd.



Raghu Raj has been appointed director of Indo Count Industries Ltd.



B.L. Chadha has taken over as chief general manager of State Bank of India, Madras circle.



Jagmohan Singh Gujral has been promoted as general manager, marketing, of Amrit Banaspati Co. Ltd.

ASSOCIATIONS

n J. Shah has been ted president of the -American Society.

Ramanathan has elected vice- rman of the Fertiliser ciation of India.

Santhanam has elected president of ederation of Print nators Associations.

Prakash has been d general secretary.

Chinubhai R. Shah has been elected vice-president of the All India Management Association.

Anil Agarwal and **Ramrichhpal Agarwal** have been elected president and vice-president, respectively, of the Bharat Merchants' Chamber.

Rajendra Singh and **S. Ramachandran** have been elected president and vice-president, respectively, of the Delhi Management Association.

Vivek Aggarwal has been elected senior vice-chairman of the U.P. state board of the All India Manufacturers' Organisation.

K.S. Rao and **S. Ranganathan** have been elected chairman and vice-chairman, respectively, of the Madras branch of the Indian Institute of Materials Management.

B.R. Bhansali and **O.R.M. Prabhu** have been elected chairman and vice-chairman, respectively, of the Tea Trade Associaton of Coimbatore.

Senior executive positions

A compilation of executive jobs advertised in **Business India** other major publications between 13 and 26 August 1990.

THE FOUR BEST JOBS

- MANAGING DIRECTOR * Madras * *Sal* NS * *Age/Qlfn* 45 years * NS * *Reqd* Should possess management skills and leadership qualities * *Cont* MS/5560, E.A. Kshirsagar, A.F. Ferguson Associates, Express Towers, Nariman Point, Bombay 400021 (S - 15.8)
- VICE-PRESIDENT (Finance) * Bombay * *Sal* Attractive + housing * *Age/Qlfn* 43-48 years * Chartered accountant * *Reqd* 10 years of relevant experience at senior levels in finance * *Cont* MS/5554, A.F. Ferguson Associates, P.O. Box 1786, Bombay 400001 (ToI - 20.8)
- PRESIDENT (Large Export House) * Bombay * *Sal* Rs.5 to Rs lakh pa * *Age/Qlfn* 45-50 years * Chemical engineer + MB *Reqd* Intimate knowledge of at least one of three key exp markets ie. USSR/USA/EEC. Top management experience high volume exports in chemicals will be preferred * *Cont* (LE BPA/3027), B.P. Agrawal, Chairman, ABC Consultants Pvt L 43/3, Hazra Road, Calcutta 700019 (ToI - 20.8)
- MANAGING DIRECTOR (Designate) * Near Delhi * *Sal* NS * *A Qlfn* NS * NS * *Reqd* Managerial experience essential * *Cont* No.AA/324/CG/3, Business India, 59 Regal Building, Connau Circus, New Delhi 110001 (BI - 20.8)

NATIONAL

- VICE-PRESIDENT (Finance) * NS * *Sal* Negotiable * *Age/Qlfn* Around 50 years * CA with MBA preferred * *Reqd* Minimum 15 years post-qualification experience of which at least 10 in senior management * *Cont* Box No.AA/325/LG/2, Business India, Wadia Building, 17/19 Dalal Street, Fort, Bombay 400001 (BI - 20.8)

WEST

- COMPANY SECRETARY * Bombay * *Sal* NS * *Age/Qlfn* 40-45 years * Graduate in law and member of the institute of company secretaries * *Reqd* Minimum 15 years experience in a reputed public limited company, of which at least 5 years at senior level * *Cont* Dr. Banerjee, Consindia Private Limited, 'Anand Ashram', 2nd floor, Gamdevi, Bombay 400007 (BI - 20.8)
- CHIEF INTERNAL AUDITOR * Bombay * *Sal* Attractive + housing * *Age/Qlfn* 38-45 years * Chartered accountants * *Reqd* 7 years experience in systems and operations audit at senior levels. Exposure to computerised systems audit desirable * *Cont* MS/5555, A.F. Ferguson Associates, P.O. Box 1786, Bombay 400001 (ToI - 20.8)

NORTH

- GENERAL MANAGER (Works) * Western UP * *Sal* NS * *Age/Qlfn* NS * Chemical engineer * *Reqd* 15 years experience in fertiliser/chemical industry * *Cont* GMW/DEL/1137, ABC Consultants Pvt Ltd, 209, Meghdoot, 94, Nehru Place, New Delhi 110019 (HT - 16.8)
- COMMERCIAL MANAGER * Delhi * *Sal* Over Rs.3 lakh pa gross * *Age/Qlfn* 35-45 years * MBA from premier management institutes * *Reqd* Trading experience in commodity markets and strong commercial sense * *Cont* MS/4954, A.F. Ferguson Associates, Hansalaya, Barakhamba Road, New Delhi 110001 (BI - 20.8)
- ASSISTANT VICE-PRESIDENT * Delhi * *Sal* Excellent + house + car * *Age/Qlfn* Around 35 years * BE/B.Tech in computer science/electronics/communication * *Reqd* Minimum 10 years experience. Overseas experience preferable * *Cont* MS/4951, A.F. Ferguson Associates, Hansalaya, Barakhamba Road, New Delhi 110001 (BI - 20.8)
- VICE-PRESIDENT * Delhi * *Sal* Rs.10,000 pm + house + car * *Age/Qlfn* 37-42 years * Mechanical engineer * *Reqd* Exceptional technical depth coupled with commercial sense * *Cont* Ashoke Bahl, Management Services Group, Marble Arch, 9 Prithviraj Road, New Delhi 110011 (ToI - 22.8)
- HEAD OF CORPORATE PERSONNEL * Delhi * *Sal* Attractive + housing + car * *Age/Qlfn* 35-45 years * Post-graduate degree/diploma in personnel management * *Reqd* Strong base in HRD, management selection and development * *Cont* B.R. Grover, Director (Personnel), Dalmia (Bros.) Pvt Ltd, 2nd floor, Indrapra 21 Barakhamba Road, New Delhi 110001 (ToI - 20.8)

SOUTH

- GENERAL MANAGER * Bangalore * *Sal* NS * *Age/Qlfn* Arou years * Engineering/science graduates with MBA from a pre institute * *Reqd* Minimum 12 years of experience in cons products/specialty chemicals. Also essential is a strong ma ing/commercial background * *Cont* Pratibha Sheth, Executiv rector, Shilputsi Consultants, P.O. Box 9386, Bombay 400026 20.8)
- GENERAL MANAGER (Purchase) * Madras * *Sal* NS * *Age/* Over 45 years * Engineering graduate * *Reqd* 10 years experien purchasing function at a senior level * *Cont* General Manager (sonnel), Ashok Leyland Ltd, 19, Rajaji Salai, Madras 600001 20.8)

EAST

- FINANCIAL CONTROLLER * Calcutta * *Sal* Excellent + pe *Age/Qlfn* 40-45 years * CA * *Reqd* 20 years relevant experien companies of repute * *Cont* Executive Director, Berger Pa India Ltd, 129 Park Street, Calcutta 700017 (S - 19.8)
- GENERAL MANAGER (Precision Engineering Product Kharagpur * *Sal* 10,000 pm + house + car + perks * *Age/* 40-45 years * Mechanical engineer * *Reqd* Proven track reco managing a comparable hi-tech engineering unit independe *Cont* GMEP/BPA/3021, B.P.Agrawal, Chairman, ABC Consult Pvt Ltd, 43/3, Hazra Road, Calcutta 700019 (BI - 20.8)

OVERSEAS

- GENERAL MANAGER (Refrigeration and Allied Enginee products) * Kenya * *Sal* Good + passage + family accommoda etc * *Age/Qlfn* Engineering degree preferred with an additi management qualification * *Reqd* Experience of 10 years or m in a similar industry at a senior position * *Cont* Mr. Kurji, C/o H Centre, 8 Subhash Road, Vile Parle (East), Bombay 400057 (26.8)
- MANAGER PERSONNEL (HRD) * Muscat * *Sal* NS * *Age/Qlfn* M 35 years * Post-graduate in personnel management/MBA with cialisation in personnel management/organisational behavio *Reqd* 10 years relevant experience of which at least 5 years corporate head of personnel/HRD department * *Cont* Senior M ager (Personnel), Bahwan Automotive Centre, P.O. Box 168, M cat, Sultanate of Oman (ToI -26.8)

xecutive positions

TOI — Times of India; *IE* — Indian Express; *H* — The Hindu; *S* — Statesman; *HT* — Hindustan Times; *ET* — Economic Times; *Econ* — Economist; *BI* — Business India

ATIONAL

ANAGER (QC) * Ludhiana * *Sal* NS * *Age/Qlfn* NS * Engineer * *eqd* 10 years experience in manufacturing precision equipment. nowledge of statistical QC desirable * *Cont* The Chief Executive, ajestic Auto Ltd, C-48, Focal Point, Ludhiana 141010 (HT - 13.8)

ENIOR MANAGER (Paint Shop) * Ludhiana * *Sal* NS * *Age/Qlfn* S * Chemical engineer * *Reqd* 7-8 years experience in paint shop 'a large industrial undertaking involving electrostatic painting * *ont* The General Manager (Personnel), Hero Cycles Ltd, Hero agar, G.T. Road, Ludhiana 141003 (H - 16.8)

ENIOR MANAGER (Total Quality Management) * Delhi * *Sal* .5,000 pm + house + car * *Age/Qlfn* Around 35 years * Mechani- l engineer * *Reqd* Experience in the light engineering industry * *ont* Ashoke Bahl, Director, Management Services Group, New elhi 110011 (H - 16.8)

ANAGER (Inspection and QC) * Hissar * *Sal* NS * *Age/Qlfn* 35-40 ars * Graduate engineer in metallurgy/mechanical * *Reqd* 8-12 ars relevant experience * *Cont* MQA3/CAL/4029, ABC Consul- nts Pvt Ltd, 6A, Middleton St, Calcutta 700071 (S - 19.8)

RANCH MANAGERS * Delhi/Lucknow * *Sal* Rs.75,000 pa + car * *ge/Qlfn* NS * Graduate with MBA/PG in management, specialised marketing * *Reqd* At least 5 years experience and a proven track cord in an organisation of repute * *Cont* Box 407210, Hindustan mes, New Delhi 110001 (HT - 19.8)

HIEF MANAGER (Accounts) * Madras * *Sal* NS * *Age/Qlfn* NS * A * *Reqd* 10 years experience in banking/finance institutions * *ont* The General Manager, India Housing Finance & Development d, 29 Whites Road, Madras 600014 (H - 16.8)

RANCH MANAGER * Calcutta * *Sal* NS * *Age/Qlfn* 27-40 years * raduate, preferably MBA * *Reqd* Should have relevant experi- ce in selling beer/IMFL or consumer products will be preferred * *ont* The Controller, P&R, UB Ltd, Breweries Division, Shariff hambers, 14, Cunningham Road, Bangalore 560052 (S - 15.8)

ORKS MANAGER * Baroda * *Sal* NS * *Age/Qlfn* NS * Mechanical gineer * *Reqd* Knowledge of Gujarati/Hindi and 10 years shop- oor experience * *Cont* The Advertiser, Box L 744-S, Times of dia, Bombay 400001 (ToI - 16.8)

ARKETING MANAGER * Pune * *Sal* NS * *Age/Qlfn* Around 35 ars * B.Sc./B.Sc.(Tech) degree * *Reqd* 8 years experience of di- ct selling of LABS, FAS, FAES, AOS etc * *Cont* Box L810-K, Times India, Bombay 400001 (ToI - 23.8)

ANAGER (Process Engineering) * Pune * *Sal* NS * *Age/Qlfn* -35 years * M.Tech/B.Tech in chemical engineering * *Reqd* 10-12 ar experience in process design, detailed engineering, project ecution in the field of inorganic chemical process plants * *Cont* nager (P&A), Sulzer India Limited, Neeta Towers, 3rd Floor, mbay-Pune Road, Dapodi, Pune, 411012 (ToI - 24.8)

RSONNEL MANAGER * Bombay * *Sal* Attractive * *Age/Qlfn* NS * aduate * *Reqd* 10 years relevant experience and 2-3 years expe- ace in union negotiations and operating department indepen- ntly * *Cont* Managing Director, IVP Limited, Allana House 4, J.A. ana Marg, Colaba, Bombay 400039 (ToI - 20.8)

RKS MANAGER * Bombay * *Sal* NS * *Age/Qlfn* NS * Graduate gineer * *Reqd* 10 years experience including some experience of ctioning at similar level * *Cont* Psycon, 512, Raheja Centre, iman Point, Bombay 400021 (ToI - 21.8)

PUTY EXPORT MANAGER (Pharma) * NS * *Sal* NS * *Age/Qlfn* ound 35 years * Specialisation in export administration * *Reqd* rough knowledge of the pharmaceutical industry * *Cont* The neral Manager (Personnel), Lakme Limited, Union Cooperative Insurance Building, 23, Sir P.M. Road, Fort, Bombay 400001 (ToI - 17.8)

- AREA SALES MANAGERS * Major state capitals * *Sal* Over Rs.65,000 pa + benefits * *Age/Qlfn* 28-32 years * MBA * *Reqd* 5-7 years experience in selling consumer/consumer durable products * *Cont* MS/5564, A.F. Ferguson Associates, P.O. Box 1786, Bombay 400001 (ToI - 21.8)
- PRODUCT MANAGER * NS * *Sal* NS * *Age/Qlfn* Around 30 years * MBA (marketing) * *Reqd* 2-5 years experience in marketing consumer/OTC products * *Cont* General Manager (Human Resources), Hindustan Ciba-Geigy Ltd, 14 J Tata Road, Churchgate, Bombay 400020 (ToI - 20.8)

OVERSEAS

- PRODUCTION MANAGER (Pharmaceutical Industry) * Nigeria * *Sal* Savings potential + family accommodation * *Age/Qlfn* 45 years * B.Pharm/M.Pharm * *Reqd* 10-15 years experience in a sterile antibiotics powder filling department of an established pharmaceutical plant * *Cont* Datamatics Staffing Services, P.B. No.106, GPO, Bombay 400001 (H - 188)
- UTILITY ENGINEER * Indonesia * *Sal* Attractive * *Age/Qlfn* NS * Mechanical engineer * *Reqd* 5-7 years experience in maintenance of utilities like refrigeration, air handling units, compressors, diesel generators etc in textile/polyester industries * *Cont* T.S. Chohan, AIMS Management Consultants, 42 Veer Nariman Road, Bombay 400023 (ToI - 19.8)
- MANAGER (Trading) * Dubai * *Sal* NS * *Age/Qlfn* 35-40 years * Ideally a management graduate * *Reqd* 5-7 years trading experience and should have travelled extensively * *Cont* Adanced Management Services, 19 Nariman Bhavan, Nariman Point, Bombay 400021 (ToI - 26.8)
- SALES MANAGER (Water Treatment Operation) * Saudi Arabia * *Sal* NS * *Age/Qlfn* NS * Degree in chemical engineering/chemistry * *Reqd* Minimum 10 years experience selling specialty chemicals preferably to the general water treatment marketplace * *Cont* Bombay Marine Engineering Works Pvt Ltd, 5-B, Bakhtawar, Nariman Point, Bombay 4000021 (ToI - 26.8)

ABC's major specialisations include Corporate Consultancy

Project Reports • Operations Research • Industrial Engineering • Computer Feasibility • Socio-Economic Studies

CHIEF EXECUTIVE
FINANCIAL SERVICES COMPANY

NEW DELHI **TOP MANAGEMENT TERMS**

Our clients are a well known & highly professional group of companies with current annual turnover of Rs 250 crores having diverse business interests at various locations spread all over India. **A Non-Banking Finance Company** promoted by the Group has achieved a cumulative disbursement level of Rs 75 crores in a record period of 4 years. To spearhead the growth of this financial services company, they require a Chief Executive.

The incumbent would be responsible for both operations as well as growth & diversification of the Company. Key responsibilities will include **product innovation & development, formulation & implementation of marketing strategies and fund mobilisation.** Ability to manage a large team of young professionals would be a key factor to success. The Company offers a creative and supportive atmosphere with freedom of action.

The ideal candidate would be a person with excellent professional qualifications with around 15 years of multifunctional experience preferably in a Financial Services Company. However, candidature is also open to entrepreneurs-professionals with a proven track record in other businesses. An MBA or CA qualification would be an advantage.

The remuneration package will compare with the best in the industry and will not be a limiting factor for the right candidate. Please write in strict confidence to Deepak Bhargava, General Manager, within 10 days with detailed Bio-data quoting job title & code CEF/DEL/1130

(Personnel Selection Division)
ABC CONSULTANTS PRIVATE LIMITED
209 Meghdoot, 94 Nehru Place New Delhi-110 019. Phone: 6416431

Organised Cost Reduction • SWOT Analysis • Data Processing

VICE-PRESIDENT – FINANCE

BOMBAY Salary negotiable + Housing, Car with Driver and other excellent perks & retirement benefits.

A leading multinational Pharmaceutical Company, known for its strong international R&D base and manufacturing fine chemicals and drugs, wishes to appoint a Vice-President – Finance at its Head Office in Bombay.

The successful candidate will report to the Managing Director & President of the Company and will be responsible for all financial functions in the Company. Career prospects for the successful incumbent of right aptitude and attitude are very promising.

In addition to his full responsibilities for all financial functions and for developing and improving computer-based accounting systems and procedures, the successful candidate will be required to make significant contribution, as member of the corporate management team, towards the profitable growth of the Company, particularly on commercial policy decisions. He will of course be conversant with taxation and other allied laws and should have the flexibility to adjust to the Company's system of accounting based on the requirements of a world-wide international group.

The job calls for initiative as well as a high degree of administrative ability and leadership qualities. The successful candidates should preferably be a member of the Institute of Chartered Accountants, England & Wales, or alternatively, a qualified Chartered Accountant of India, or hold equivalent foreign qualifications. He should preferably be around 45 years of age, with a minimum of 10 years' experience in senior positions in Financial Management.

THE COMPENSATION PACKAGE IS DESIGNED TO ATTRACT THE BEST AVAILABLE TALENT.

Applications, superscribing the above post on the envelope, with full bio-data and stating qualifications, experience, family background, details of present compensation should be sent to Box No. AA/326/WB/3, **Business India**, Wadia Building, 17/19 Dalal Street, Fort, Bombay 400 001, within 15 days from this date.

Shilpatsi

SHILPUTSI Consultants have been retained to recruit a

VICE PRESIDENT – LEGAL

Madras

Our client is a well diversified, professionally managed group with a turnover of more than Rs. 300 crores. They are planning for major growth through new projects and expansion. They have several tie-ups with world leaders in chemicals and engineering.

The Job: The Vice President – Legal will advise the top management on matters of Company Law, MRTP, FERA, licensing regulations, trademarks, international collaboration agreements and other matters with legal implications. Responsibilities will include instituting/defending/supervising legal proceedings, monitoring and interpreting changes in corporate legislation relating to Corporate and Commercial Law, Indirect Taxes, etc. The position is in the Corporate Office of the group, and will also involve overseeing the secretarial functions of the constituent companies.

Qualifications: A degree in law with 15 years experience in a large company of which at least 5 years should be at a senior level, or a practicing lawyer with experience in the above areas.

Age: Around 40 years.

Remuneration: Will not be a constraint for the right candidate.

Please apply in strict confidence to:

Ms. Pratibha Sheth
Executive Director
Shilputsi Consultants
P.B. No. 9386
Bombay 400 026

olden moments. McDowell moments

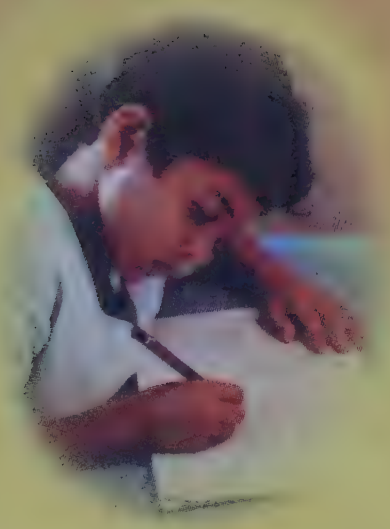


Unmistakably No.1... McDowell's

Make mine McDowell's The vodka with spirit



Dreams for sale...







OFFER OPEN

CANSTAR

Earn 50% or more return per annum for a lifetime on initial investment after 10 years

Canbank Mutual Fund has, since its inception, built up an excellent track record. The best of professional skills, financial acumen and intimate knowledge of the corporate world combine to bring to you high return, yet safe investment opportunities. Scheme after scheme, launched by us, has succeeded in turning market opportunities into lucrative returns. Look at the total payout of **CANSHARE** alone – **over 100%** in less than 30 months excluding market appreciation (Market price Rs. 22.50 as on 31st July, 1990).

HIGHLIGHTS

- A well established Mutual Fund with the largest investor base
- Professionally managed with proven track record of success
- Tax benefit under Section 80L of the Income-tax Act, 1961 upto Rs. 10,000/- or Capital Gains* benefit under Income-tax Act
- Easy encashability – to be listed on Bombay and other Stock Exchanges after one year
- Buy back any time after three years
- Easy Transferability

* Separate application forms available

Minimum Repurchase price for 1000 Canstars:

A. On completion of:

3 Years	–	Rs. 15,150
4 Years	–	Rs. 17,400
5 Years	–	Rs. 20,000
6 Years	–	Rs. 23,000
7 Years	–	Rs. 26,500
8 Years	–	Rs. 30,500
9 Years	–	Rs. 35,000
10 Years	–	Rs. 40,000

B. Option on completion of 10 years
Receive monthly income @ 12.50% p.a. calculated on accumulated amount
and
Receive an annual bonus/appreciation from the 11th year onwards

CANBANK MUTUAL FUND

Orient House, Adi Marzban Path (Mangalore Street), Bombay 400 038

Principal Trustee : CANARA BANK

Always a step ahead

Concept

The blue eyed boys of the textile world are all set to turn blue denim into blue chip investments.



* **Denim.**
Loved the world over. From kids to grandparents. From the factory worker to the filmstar. A fabric that for over 200 years has remained the No. 1 favourite. Fashions come and go, but like diamonds Denim is forever.

* An 'all win' 100% EOU project that will turn blue denim into a blue chip investment.

Issue of 82 lac 14% Fully Convertible Debentures of Rs. 44/- each for cash at par aggregating Rs. 36.08 crores.

INDIAN & NRI
PUBLIC ISSUE OPENS —
10TH SEPTEMBER, 1990
RIGHTS ISSUE OPENS —
3RD SEPTEMBER, 1990

Sobhagya/170/90

Lead Managers to the Issue

The Industrial Credit and Investment Corporation of India Limited
Merchant Banking Division
Tower II Level 6, Jeevan Bharti,
124 Connaught Place
New Delhi 110 001

SBI CAPITAL MARKETS LTD.
202 Maker Towers 'E'
20th Floor, Cuffe Parade
Bombay 400 005

Managers to the Issue

ANZ Grindlays Bank
Merchant Banking Division
H Block, Connaught Circus,
New Delhi 110 001.

CANBANK FINANCIAL SERVICES LTD.
Atlanta, Nariman Point,
Bombay

Modern
Suitings Limited
Regd. Office : D-22, Moti Dungari Road,
Jaipur-302 004.

Be a part of the Modern Blue Wave.

MAX

MAX INDIA LIMITED

Key Pharma Positions

Max India Limited is a professionally managed and fast growing company. It is a pioneer and leading manufacturer of downstream semi-synthetic penicillin products, 6-APA and 7-ADCA, used in the manufacture of vital life saving antibiotics. For these products, the company enjoys a premium position among select few world class manufacturers.

As a part of its expansion and diversification programme the company also has manufacturing/marketing interests in packaging, electronics, fermentation and speciality pharmaceuticals.

Now, entry into formulations is being planned through an independent business group for manufacture and marketing a range of pharmaceutical products in different segments of the pharma/health care industry.

The following positions offer excellent career opportunities:

VICE PRESIDENT — MARKETING & BUSINESS DEVELOPMENT — Delhi

Reporting to: *The Managing Director*

Responsibilities:

- Creating, development and retaining an effective and dynamic marketing team.
- Developing strategies for identification of products and segments for niche marketing.
- Formulating, monitoring and achieving sales plans, targets, etc.
- Setting up an efficient distribution system through outside agencies and company's existing regional offices.
- Establishing a strong presence of the company and brand image of products in the market.
- Business planning and development functions of the pharmaceutical operation.

Requirements:

- Age 35 — 45 years approx.
- Science/Pharmacy/Engineering/ Management background.
- Atleast 15 years' experience in marketing of which 5 years' should be at All India Marketing/Sales function at a Senior Managerial level.
- A creative and professional approach to marketing.
- Dynamic and result oriented. Strong business acumen. Innovative. Entreprenuerial.

General:

Incumbent will have the opportunity to move into a profit centre position of the pharmaceutical activity depending upon performance and potential. Compensation not a limiting factor.

CONTROLLER — MARKETING & SALES — Delhi

Reporting to : *The Vice President — Marketing & Business Development.*

Responsibilities:

- No. 2 to Vice President — Marketing & Business Development.
- Specific responsibility for All India Marketing & Sales.

Requirements:

- Age 32 — 40 years.
- Science/Pharmacy/Engineering/ Management graduate.
- Atleast 10 years' experience in marketing of pharmaceutical products of which recent experience should be responsibility of an important region or All India Sales and Marketing
- Dynamic result oriented, ready to take challenges. Capable of growing into more senior position.

General:

Compensation will not be a limiting factor.

Write without concern regarding confidentiality to:

Bhai Analjit Singh Managing Director
Max India Limited
Devika Tower, 6 Nehru Place
NEW DELHI-110019.

asian-148

MANAGING DIRECTOR

Madras

The leading professionally managed shipping company in Southern India wishes to appoint its Managing Director. The Company has successfully withstood all the ups and downs of the shipping industry and is recognised as a leader in its field.

The Managing Director is responsible to the Board which is made up of eminent professionals and industrialists. He should possess the management skills and leadership qualities necessary to motivate and lead a team of professionals. He should be able to deal with government agencies and financial institutions effectively. He will be responsible for maintaining and improving upon the financial performance of the company and plan and execute its further expansion and diversification programmes.

Correspondence is invited from successful managers who have proved their ability to fill this prestigious and high profile appointment. A sound commercial approach coupled with the highest order of integrity is essential. Prior experience in shipping will be an additional qualification. Preferred age is 45+.

The remuneration package will be designed to attract the best available talent.

Please write (Ref: MS/5560) in strictest confidence to:

E A Kshirsagar
A F Ferguson Associates
Express Towers
Nariman Point
Bombay 400 021

Shilputsi

SHILPUTSI Consultants have been retained to recruit

TECHNICAL DIRECTOR

GUJARAT Rs. 5 lacs + p.a.

Our clients are a large industrial group with a turnover of more than 600 crores. The group has embarked on various projects for expansion and diversification.

The Job: The Technical Director will be in charge of all manufacturing operations, updating technology, technical collaborations and participating in decision making as a member of the top management team. He will provide leadership to a large team of managers and build a conducive working climate in operations involving more than 3000 employees.

Qualifications: Engineer preferably Chemical, with about 20 years experience in manufacturing operations of which five should be at a senior level. The position calls for leadership qualities, superior technical and business understanding.

Age: 40-50 years.

Remuneration: The Company has a very generous remuneration package and the right candidate would have ample opportunities to take over any of the group companies as Managing Director.

Please write in strict confidence to:

Mrs. Pratibha Sheth
Executive Director
Shilputsi Consultants
P.B. No. 9386
Bombay 400 026

ABC's major specialisations include • Corporate Consultancy • SWOT Analysis • MIS • Socio-Economic Studies • Software Packages • Insurance Consultancy • Computer Feasibility • Data Processing • Materials Management • Organised Cost Reduction

G M – MARKETING

Medical Equipment & Disposables

Madras **Good Terms**

Our client **Hug Medical Pvt Ltd** is a joint venture company set up in collaboration with **G. Hug GMBH** World leaders in manufacture & marketing of medical equipments. The company manufactures sophisticated instruments, implants, equipment and disposables for **orthopeadic rehabilitation and traumotology.** The products incorporate latest technology and are well accepted Worldwide.

The incumbent will spearhead All India marketing & sales activities. He will formulate & implement innovative strategies, build & motivate a competent sales team, develop distribution channels and achieve ambitious targets.

Candidates should preferably be MBAs from reputed Business Schools with an excellent track record of atleast 10 years in selling medical equipments/instruments/supplies directly to hospitals and through dealer network. Should have good experience in concept selling and excellent contacts in the medical profession. Age Group: 35-40.

Emoluments will be attractive and will not be a limiting factor for the right candidate.

Apply within ten days with detailed bio-data marking envelope & application with job title & code: GMM/MDS/26. ALL CORRESPONDENCE WILL BE TREATED IN STRICT CONFIDENCE.

Personnel Selection Division

ABC CONSULTANTS PRIVATE LIMITED

4, Khader Nawaz Khan Road, Madras-600 006. Tel. 470778

Bombay

Attractive compensation package including housing.

The company based in Bombay, which is turning around and is in the synthetic yarn industry with an annual turnover of around Rs. 200 crores is looking for the following Senior Executives. The company has gone through a difficult time but its recent performance is improving and potential growth is good. A significant expansion programme is also on the cards.

GENERAL MANAGER – FINANCE

(MS/5557)

The incumbent should be a qualified ACA/AIWCA. He will be responsible for corporate finance, accounting, tax planning, budgetary control, working capital management and costing. Experience in a computerised system of accounting and in development of relevant systems and procedures is preferred. Experience in project cost management is an additional qualification. He will report to the Director – Finance.

Preferred age: 45 – 50 years.

GENERAL MANAGER – MATERIALS

(MS/5558)

The incumbent should preferably be an engineering graduate with post graduate qualification in materials/industrial management. He should have experience of around 15 years in the chemical/process industry and should have worked for at least 5 years in a senior management position. He will be responsible for the entire materials management functions such as materials planning, procurement, inventory control, stores materials handling, finished goods despatch, vehicular transport and disposals. The purchase functions include vendor development, imports, government liaison, project purchases and procurement of capital equipment and engineering spares. He should also be familiar with computerised materials systems. Experience in the synthetic fibre industry would be an advantage.

Preferred age: 40 – 45 years.

GENERAL MANAGER – PERSONNEL

(MS/5559)

The incumbent should be a post graduate in personnel management, preferably with a legal qualification, with about 15 years experience, of which at least 5 years should be at a senior level. He will be responsible for all aspects of human resources management comprising recruitment, training, development, compensation structure, career planning, personnel policies, union negotiations, industrial relations, employees welfare, etc. Experience in concepts such as shop floor councils and quality circles is desirable. He will be responsible to look after the personnel of 3 factory establishments with employee strength of around 2,500. He will report to the Chief Executive Officer.

Preferred age: 40 – 45 years.

The above positions carry with them attractive remuneration in the senior scales. Housing in the suburbs can also be provided. Perquisites include car with a driver and others that go with senior positions.

Please apply in strict confidence within 10 days to:

A. F. Ferguson Associates
Post Box 1786
Bombay 400 001

giving full details of qualifications, experience and present salary drawn. All applications and envelopes should be marked with the relevant MS reference number. Candidates not contacted within three months of application, may assume that they are not being considered.

Our client is a progressive company on the move, with distinguished record of pioneering and being one of the largest manufacturers of a range of well-known mass consumer products. The company's products enjoy excellent brand-image and are Market Leaders. Growth and profitability records have been consistently excellent over the years and the current turnover of Rs. 200 crores will substantially increase in view of ambitious expansion and diversification plans underway.

To give added thrust to their ambitious growth plans, the company is looking for a highly result-oriented MARKETING CONTROLLER.

MARKETING CONTROLLER

(MASS CONSUMER PRODUCTS)

DELHI **Rs. 3-4 Lakhs per annum (Gross)**

This is a key position reporting to the Managing Director. The incumbent will conceive, design & implement aggressive and innovative marketing strategies to ensure rapid penetration of products in various segments of the market. It entails total responsibility for the entire gamut of Marketing & Sales functions on All-India basis. He will provide an impetus to the company's targeted growth plans by consolidating gains and building on the existing marketing strengths. Product development & launching, pricing, advertising, promotion, distribution management, team building and achieving sales objectives will be some of key areas of concern.

Candidates should preferably be MBAs from reputed institutions, in age group of around 40 years with about 15 years relevant experience in marketing consumer products, of which at least 5 years should be in a comparable position in organisations of repute.

This is a challenging & interesting assignment with excellent growth prospects. Our client is looking for a seasoned marketing professional with keen insight into the finer aspects of mass consumer marketing & distribution channels, good leadership qualities and excellent communication skills.

The company is also looking for dynamic professionals for the following positions to assist the Marketing Controller in the above functions.

MARKETING MANAGERS (2)–age group 30-40 years with 8-10 years relevant experience. Total package will be Rs. 1.5-2 lakhs per annum.

ASSTT. MARKETING MANAGERS (2)–age group 27-30 years with 4-6 years. relevant experience. Total package will be Rs. 1-1.5 lakhs per annum.

Apply within 10 days giving details of age, qualifications and experience with salary drawn and expected, marking the enclosures with Job title and code MC/8 to :

Omam Consultants Private Limited

14-D, BASANT LOK, VASANT VIHAR, NEW DELHI-110 057 TELE : 670821/604587

Our client is amongst the largest Office Automation Corporation with plans to consolidate its leadership in India and abroad. The products to be introduced and the software assignments abroad will create unparalled history.

We invite qualified professionals who are on a fast track and will seek a change for something significantly more exciting than the present assignment.

PROFIT CENTRE HEAD – SUPPORT **3 LACS +**

The Assignment : Consolidate the largest customer base with systems and policies which maximise uptime or computer systems. Independent profit centre management with significant contribution to profits. Effective controls and systems geared towards BOWLING THE CUSTOMER would be the key.

The Profile : An Engineer in the age group of 38 to 42 years of age. Experience in any Industry of a 'Live Wire' product is a must. We are looking at a dynamic leader who is proud of his man management skills and ability to organise and manage a profit centre.

SOFTWARE SYSTEMS DEVELOPMENT **IN U.S.A.**

The Assignment : To work in teams of highly experienced software professionals in America. Exposure to Operating Systems like UNIX, XENIX, VMS, AIX, OS 400; Contemporary RDBMS; XWINDOWS, PHIGS, CAD Graphics and Communication – TCP/IP, WAN, X.25.

MANAGER MARKETING & PRODUCT SUPPORT **ALL OVER INDIA**

The Assignment : Effective control and minimise downtime of Installation base. Lead and guide a large team of Engineers into a vibrant group of Company's ambassadors commited to Total Customer Satisfaction.

The Profile : Engineers with over 6 years experience. Office Automation experience is preferred but not a must. Managers who have successfully controlled regional profit centres independently in any 'CRITICAL ON-LINE PRODUCT' would be considered.

The salary will be a hefty percentage over the present salary, in other words the best!

Call us or send in your resume by Courier/Speed post only, within 4 to 5 days.

Noble House
MANAGEMENT AND PLACEMENT CONSULTANTS
POST BOX 3531, NEW DELHI - 110 024.
Phones : 011-692415, 625316

Bahwan
Automotive
Centre
MUSCAT

MANAGERIAL OPENINGS

We are the largest Business Group in the Sultanate of Oman. Our Automotive Centre repre world-renowned automobile/construction equipment/allied products franchises like TOY FORD, M.A.N., KOMATSU, KUBOTA TRACTORS, YOKOHAMA TYRES, THERMO REFRIGERATION UNITS etc.

Ambitious growth plans are envisaged for the various Divisions of our Automotive Centr provide impetus to these expansion plans we need professional managerial talents in the foll categories :

1. FINANCE MANAGER

Qualification: A Chartered/Cost Accountant with a brilliant academic and professional track record.

Experience: Familiarity with contemporary commercial practices in an EDP environment is essential. Candidates having worked for atleast 10 years in the Commercial/Finance Departments of a large, professionally managed Business House will only be considered.

Job: Requires a person with exceptional inter-personal skills and ability to interface with a multi-disciplinary team in a business covering a wide range of activities.

The company operates in a highly competitive market environment and the incumbent will have to display considerable business acumen and skills within a very broad management perspective.

The company encourages high performers amongst very successful peers.

2. SPARE PARTS MANAGE

Qualification: Engineering with MBA from reputed institute.

Experience: Candidates holding senior managerial position for 7 to 10 years with a automobile manufacturer/distributor handlir complete spareparts management. Must pos thorough knowledge of automobile industry should be fully conversant with various auto spareparts.

Job: Responsibilities will include spareparts inventory control, nation wide sales/marketir and market research. The job will also involv constant negotiations and follow up with Ov Principals for import and timely availability o spareparts.

Bahwan Automotive Centre
MUSCAT

SALES MANAGER-TYRES

lification: Graduate with MBA from reputed ute

erience: Should be a senior manager in the ndustry with 10 years experience, out of n atleast 5 years should be at a senior level, arge of a region comprising 2 or more states. lidates must have an impressive record of achievements and must be highly target ted. Position calls for rich commercial/ nistrative experience with a strong marketing ground.

: Will be responsible for achieving sales ts and nation wide marketing of tyres/allied ucts.

ASSISTANT SALES MANAGER-TYRES

lification: Graduate with MBA from a ed institute.

erience: Should have 5 to 7 years rich mercial/administrative experience as manager e middle management cadre, out of which st 3 years should be at the level of a District ger, responsible for marketing of tyres for state. Should have an impressive record of achievements. and be highly target oriented.

The Candidate will assist Sales Manager- in all spheres of his responsibilities listed st position no. (3).

ASSISTANT SPARE PARTS MANAGER

lification: Engineering with MBA from a ted institute.

erience: 5 to 7 years with an automobile ufacturer/distributor handling spareparts agement.

Job: The candidate will assist Spare Parts Manager in all spheres of his responsibilities listed against position no. (2).

AGE LIMIT:

For positions 1, 2 and 3 between 30 and 40 years; for positions 4 and 5 between 30 and 35 years.

For all positions we are looking for candidates who are self starters with proven track record of professional attainments, excellent communication skills and capable of motivating their juniors for achieving optimum results. We value professionals with creative, innovative and committed approach.

Attractive compensation package will be offered to the selected personnel.

Benefits include fully furnished family accommodation, conveyance allowance as per rules of the company, air ticket Bombay/Delhi-Muscat for joining duty and Muscat-Bombay/Delhi-Muscat on leave. Company passage will also be given to family members for same sectors as per eligibility norms. Free medical attention, paid leave, gratuity etc. are also admissible.

Applicants willing to join us from a long term perspective may respond within a week enclosing career profile and copies of supporting credentials, 3 recent passport size photographs and passport particulars to:

The Senior Manager (Personnel)
Bahwan Automotive Centre
PO Box 168, Muscat
Sultanate of Oman

Interviews will be held in Bombay, Delhi, Calcutta, Madras and Bangalore. Please indicate your preference in the application.

A progressive, forward looking Telecommunication Accessories unit near Hyderabad set up with active foreign collaboration, heading for a Rs. 100 crore sales target is presently on an expansion programme. Consequently, it is on the lookout for dynamic, result-oriented professionals to shoulder the responsibility of challenging positions with excellent opportunities for career advancement.

COMPANY SECRETARY

The ideal person would possess a Degree with A.C.S and have 3 - 5 years' experience in corporate and economic legislation and procedures. Candidates conversant with Finance function will be accorded preference.

PROJECT IMPLEMENTATION OFFICER

The position involves preparation of project report, planning and execution of the project. Around 5 years' experience in handling Industrial Projects, liaison experience with Industrial financial institutions and intensive knowledge of their procedures and systems is required.
Incumbent should be capable of dealing with Central & State Government Departments for various clearances and Periodic Project Reports.

PLASTICS TECHNOLOGIST

This is a challenging position in the field of production with thermo plastics'injection moulding and other processes involving latest technical developments in the field. Practical familiarity with sophisticated machines and processes involved is essential. Candidates with 5 - 10 years' experience will be given preference.
Training abroad with our collaborators in the subject will be offered to the right candidate.

H.R.D. MANAGER

The position calls for a dynamic person with Organisation Development capability and total Manpower Planning and Implementation.

MECHANICAL ENGINEER

The ideal candidate would be a graduate in Mechanical Engineering with about 5 years' experience in Light Engineering and intensive knowledge of sheet and metal working machines. He will also be able to plan, organise and implement production programmes.

ELECTRICAL ENGINEER

The ideal candidate would be a graduate in Electrical Engineering with around 5 years' experience in field operations, namely Erection, Operations and Maintenance of all electrical units, compressors, motors, transformers, panel board generators, control panels and stabilisers.

INDUSTRIAL ENGINEER

The ideal candidate would be a graduate in Industrial Engineering with 5 years' related experience. Position involves P.P.C., Job evaluation, O & M, M. I. S.

All positions carry attractive remuneration comparable with the best in the industry. Perquisites include Exgratia, Gratuity and Super annuation, P.F., Medical, LTA, Leave Encashment, Childrens' education, etc. Travelling expenses will be reimbursed to candidates called for the interview.

Please apply within 10 days in strict confidence with complete bio-data and passport size photograph to

Box No. AA/326/SX/1, **Business India**, Wadia Building, 17/19 Dalal Street, Fort, Bombay 400 001.

GTC INDUSTRIES LTD.

The **DALMIAS** are a diversified industrial conglomerate with interests in tobacco, chemicals, dairy products, paper, telecom, resorts, advertising and film production with the projected group turnover for 1992 as Rs. 1,000 crores. **GTC** is the flagship company of the group and has a 21% share of the tobacco/cigarette market. Its projected turnover for the current year is Rs. 250 crore and major expansion plans are in the offing.

GTC requires :

HEAD OF CORPORATE PERSONNEL

DELHI **ATTRACTIVE TERMS**

As a key member of the senior management team, the incumbent will be responsible for the entire gamut of Personnel, HRD and IR functions of **GTC** and some **associate companies,** with major emphasis on Organisation Structuring, Organisation Development, Personnel Policies, Selection, Salary & Personnel Administration besides all facets of Human Resource Development.

Candidates should have a **Post Graduate Degree/Diploma** with specialisation **in Personnel Management** from a reputed institute; a **strong base in HRD, management selection and development.** An exposure to industrial relations, especially at policy levels, will be useful, but not essential. Preferred age is 35-45 years.

The position carries an attractive salary + house + chauffeur driven car + senior management perks.

Please write in strict confidence within 10 days to :

B.R. Grover,
Director-Personnel,
Dalmia (Bros.) Pvt. Ltd.,
2nd Floor, Indraprakash,
21, Barakhamba Road,
New Delhi-110 001.

GTC INDUSTRIES LTD.

GOVAN/GTC/2125/90

Glaxo

Glaxo India Ltd., an expanding multi-product company with an impressive growth record in the Pharmaceuticals and Foods businesses, wishes to recruit the following senior personnel. The positions are based in Bombay.

CHIEF INTERNAL AUDITOR

MS/5555 **Attractive remuneration including housing**

The incumbent will have overall responsibility for the internal audit function of the company. He will be concerned mainly with the development of internal audit capabilities and will be responsible for the planning and management of audits.

Candidates must be Chartered Accountants in the age group of 38-45 years, with at least 7 years experience in systems and operations audit at senior levels in the function. Exposure to computerised systems audit is desirable.

MANAGER-INTERNAL AUDIT

MS/5556 **Attractive remuneration**

The incumbent, who will report to the Chief Internal Auditor, will be responsible for the conduct of internal audits at the various locations of the company.

Candidates must be Chartered Accountants and/or Cost Accountants with at least 5-7 years experience. Exposure to computerised systems is essential. Preferred age: around 30 years.

ASSISTANT COMPANY SECRETARY

MS/5567 **Attractive remuneration**

The incumbent will assist the Company Secretary in his functions which include secretarial and company law matters and providing assistance in the secretarial and financial matters of associated companies.

Candidates should be qualified Company Secretaries, preferably with Chartered Accountancy qualification. They should have at least seven years relevant experience in large-sized organisations. The preferred age is 30-35 years.

In addition to an attractive remuneration, the company offers excellent growth prospects.

Please apply in strict confidence within 10 days to:

A.F. Ferguson Associates
P.O. Box 1786
Bombay 400 001

giving full details of age, qualifications, experience and salaries drawn. Applications and envelopes should be marked with the relevant MS reference number.

Coopers & Lybrand is one of the world's leading financial and business advisory services firms. It employs an aggregate of nearly 65,000 staff through some 650 offices in 107 countries. We are committed to providing top quality, cost-effective business solutions to client problems. Our clients include public sector bodies, multinational corporations and leading business houses.

CONSULTANTS

We believe in getting and keeping the best people and encouraging them within a challenging and stimulating environment. We are seeking professionals at Bombay and New Delhi, with expertise in the following areas:

- Accounting systems and procedures
- Corporate and taxation services
- Economic Planning & Feasibility studies
- Financial Planning & Control
- Human Resource services
- Information Technology
- Manufacturing
- Marketing Research & Strategy
- Mergers & Acquisitions
- Public policy

Consultants in the age group 25-40, are required to fill positions at various levels in our organisation. Applicants should be MBAs/Chartered Accountant/ Post graduate Engineers/Economists with a minimum of 3 years of work experience in the relevant field. Applicants with an international degree or working experience and/or those with previous experience in management consulting in a reputed firm will be given preference.

If you are tempted by a career of exciting, high profile work with rapid career advancement and an attractive compensation package, write with full details including current compensation to:

Box No. AA/326/AD/4,
Business India,
Wadia Building,
17/19, Dalal Street,
Fort, Bombay 400 001.

C&L

Coopers & Lybrand | Solutions for Business

All applications will be handled in the strictest confidence.

CHALLENGING OPPORTUNITIES IN THE MULTI-BRANCH, MULTI-CRORE INDIA HOUSING FINANCE AND DEVELOPMENT LTD.

the premier Housing Finance Company in the south.

IHFD recognised by the National Housing Bank and Govt. of India is looking for bright young men, with nerve and verve, ready to accept challenges in the fast growing Housing Finance company, in various positions, in its Head office and Branches.

1. **CHIEF MANAGER (Accounts) :** The incumbent head-quartered at Madras, will report to the General Manager. He will be a Chartered Accountant and will have over 10 years experience in Banking/Finance institutions.
2. **CHIEF MANAGER (Legal) :** Head-qaurtered at Madras, the incumbent will report to the General Manager. He will be a law graduate with a minimum of 5 years of practice or experience in the legal department of Banking/Finance institutions.
3. **COMPANY SECRETARY :** The incumbent should be ACS with a minimum of 5 years experience as company secretary. He will be head-quartered at Madras.

Remuneration package for all the above posts will be attractive and will not be a constraint for the right candidate.

4. **SENIOR MANAGER :** Commerce or law graduates with a minimum of 5 years experience in senior positions in Banking/Finance institutions. Salary Rs.36,000/- p.a. plus perks consistant with the post.
5. **MANAGERS :** Graduates, Commerce preferred, with minimum of 3 years experience in Banking/Finance institutions. Salary Rs.24,000/- p.a. plus perks consistant with the post.
6. **DEPUTY MANAGERS :** Graduates with 2 years experience preferably in Banking/Finance institutions. Salary Rs.18,000/- p.a. plus perks consistant with the post.

Vacancies for 4,5, and 6 above exist in IHFD branches at Bangalore, Cochin, Coimbatore, Hyderabad, Madurai, Salem, Vijayawada and Visakapatanam.

All applications will be treated in strict confidence. Apply with a detailed resumé and with a passport size photograph to

The General Manager,

INDIA HOUSING FINANCE & DEVELOPMENT LTD.

29 White's Road, Madras - 600 014

KANORIA GROUP

KANORIA INDUSTRIES LIMITED

KANORIA INDUSTRIES LIMITED is a professionally managed rapidly growing company, manufacturing cement, sugar and industrial gases having a turnover of over Rs. 60 crores. The sugar plant at Captainganj, near Gorakhpur, U.P. has ambitious growth plan to expand the present plant capacity of 3000 TCD to 5000 TCD and requires the following personnel at Captainganj.

PROJECT MANAGER

The incumbent will be responsible for the implementation of the sugar plant expansion. He will report to General Manager—Technical.

The applicant should be an engineering graduate with over 15 years of experience in the implementation of the projects. Experience of Sugar Industry is desirable but not essential. He should be capable of preparing engineering plans for plant expansion, project scheduling and monitoring, preparation of estimates and cost controlling and independently implementing the project most effectively.

Preferred age will be around 45 years but in exceptional cases it can be waived.

SENIOR PROJECT ENGINEER

The incumbent will assist the Project Manager in the implementation of the sugar plant expansion. The applicant should be an engineering graduate with over 7/10 years of experience in project implementation. He should have good mechanical engineering background and capabilities in respect of project scheduling, cost estimation, co-ordinating with various agencies, supervising construction etc.

Preferred age should be around 35 years.

SENIOR INDUSTRIAL ENGINEER

The candicate should be a graduate in engineering with degree/diploma in Industrial Engineering having 5-7 years of experience in process or engineering industry. He will be responsible for inventory planning and control, introduction of preventive maintenance schedules, carrying out work studies, preparation of schedules for project expansion, plant overhauling and their monitoring etc.

Preferred age is around 30-35 years.

We offer an attractive compensation package with liberal fringe benefits which will be commensurate with the merit of the candidate. Please apply within 15 days with full details of age, qualification, experience and present emoluments to :

The Executive Vice President
KANORIA INDUSTRIES LIMITED
Air India Bldg, 14th Floor,
Nariman Point,
Bombay-400 021.

Alliance/KIL/111/90

Indian Chemical Manufacturers Association

SECRETARY GENERAL — NEW DELHI

The Association

Founded in 1938; ICMA is a voluntary, non-profit apex body representing the entire chemical industry like Organic and Inorganic Chemicals, Petrochemicals, Dyes, etc. This now accounts for 30% of the Gross National Industrial Output. ICMA renders professional services, acts as a link with Central & State Governments, international organisations and promotes the interests of the industry and society. Its national headquarters are at Delhi and regional offices are located at the four metro cities.

The Position

The incumbent will act as the catalyst in strengthening ICMA's apex status. Inducting and retaining experts in relevant fields, liaising with Government, organising national and international seminars, publication of ICMA journals, co-ordinating corporate and regional operations and finding resources to fund ICMA activities are key responsibilities.

The Person

A self-motivated, result oriented professional with proven record of leadership, administration and high written and verbal communication skills having exposure in technical areas. Those with background of Chemistry or Chemical Engineering would be at an advantage. Preferred age around 45 years.

Compensation will be commensurate with the person's background and potential.

Please send detailed bio-data to Mr. A.Saraogi, STP Limited, 8 Camac Street, Calcutta 700 017, within 15 days. Those wishing to explore further before applying may contact:

Mr. A. Saraogi, President,at Calcutta : 448282
Dr. K.Narayanan, Vice President,at Madras : 450425
Mr. S. M. Datta, Immediate Past President,at Bombay : 2870622

PUNWIRE
punjab wireless systems limited

REQUIRES

ELECTRONICS/TELECOMMUNICATION ENGINEERS

FOR MANAGEMENT POSITIONS

IN MARKETING

PUNWIRE is a State Public Sector Company with present turnover of Rs. 30.00 crores per annum. The company is expanding and diversifying very rapidly. The present fields of activity are Radio Communication in HF, VHF, UHF & Microwave; Push Button Telephones, Rural Radio Telephone Systems, Cellular Mobile Telephone Systems, Cordless Telephones, Wireless Teletext etc. The company is addressing the requirements of a wide range of customers which includes Defence, Police & Para-military, Department of Telecommunications, Railways, Air Services, State Electricity Boards, Irrigation Departments, Coal and Steel Industry, Oil Sector, Coastal Services and Business & Industry.

PLACEMENT

The company is expanding its Sales and Marketing operations to cover Nation-wide sales and service activity for which it is on the lookout for accomplished professionals in Sales and Marketing profession to fill up Senior/Middle Management positions.

QUALIFICATIONS

Degree in Electronics/Communication Engineering. MBA with specialisation in Marketing will be given additional weightage.

EXPERIENCE

Minimum five years Sales/Marketing experience with a reputed company dealing in Telecommunication products or electronic products for business & industry sector or Electronic Equipments for office automation.

JOB REQUIREMENTS

The job involves achievement of sales targets thru' activities which include product promotion, handling enquiries, bidding and negotiating for tenders, management of large value contracts, coordination of customer service and realisation of payments.

LOCATION

Besides Chandigarh, the selected candidates may be posted anywhere in India to be responsible for specified territory/customers.

REMUNERATION

The company offers attractive remuneration, perquisites and performance linked incentives. The package is negotiable and will be commensurate with capabilities.

APPLY TO

You may send your applications at the under-mentioned address giving complete bio-data and year-wise details of experience. The details in the application should be sufficient for preliminary shortlisting.

DY. GENERAL MANAGER (P&A)
PUNJAB WIRELESS SYSTEMS LIMITED
B-53, PHASE-VI, SAS NAGAR (MOHALI)
CHANDIGARH-160 055

JAISONS

WANTED
"TOP GUNS"

FOR A MULTI NATIONAL COMPANY
(PRODUCT MANAGERS-ENGINEERING)
LOCATION : GOA

THE COMPANY

We manufacture high value Engineering Products in Collaboration with world leaders in this field. Our products are exclusive. We are professionally managed and offer an excellent work environment with considerable scope for personal advancement. Selected candidates will be aggressive, achievement oriented and highly ambitious. They will be above average communicators.

THE OPPORTUNITY

We want 'PRODUCT MANAGERS' who can absorb technology from our collaborators and successfully introduce new products in India. High achievers have the opportunity to become Business Sector Heads in a rapid time frame, reporting directly to the President.

THE LOCATION

Our headquarters will be at one of the most attractive locations in India: GOA

Apart from being a tourist paradise, Goa offers an excellent social environment, good schools, colleges and hospitals.

QUALIFICATION

Graduate Engineers with Post Graduate qualification in Management. Work experience is welcome, but we are really looking for outstanding people whom we can develop.

The age limit is 30 years.

COMPENSATION

The compensation and perks will be very generous, and prospects offered are extraordinary.

APPLY WITHIN 7 DAYS (Superscribing "PRODUCT MANAGER" on the top left hand corner of the envelope) to:

The President
Titanor Components Ltd.
C/o Diners Business Services (P) Ltd.
World Trade Towers
Barakhamba Lane
New Delhi 110 001

PUNWIRE
punjab wireless systems limited

OFFERS
CHALLENGING JOB OPPORTUNITIES TO EX-DEFENCE OFFICERS WITH ELECTRONICS/TELECOMMUNICATION/COMPUTERS BACKGROUND

PUNWIRE is a State Public Sector Company with present turnover of Rs. 30.00 crores per annum. The company is expanding and diversifying very rapidly. The present fields of activity are Radio Communication in HF, VHF, UHF & Microwave; Push Button telephones, Rural Radio Telephone Systems, Cellular Mobile Telephone systems, Cordless Telephones, Wireless Teletext etc. The company is addressing the requirements of a wide range of customers which includes Defence, Police & Para-military, Department of Telecommunications, Railways, Air Services, State Electricity Boards, Irrigation Departments, Coal and Steel Industry, Oil Sector, Coastal Services and Business & Industry.

PLACEMENT

The selected candidates will be placed in Senior/Middle Management levels and shall be independently responsible for achieving the assigned targets.

QUALIFICATIONS

Degree in Electronics & Communication Engineering or equivalent. Additional weightage shall be given to officers who have attended special course in Communications/Radars/ Computers/Management etc.

JOB REQUIREMENTS

The company requires highly accomplished officers for its manufacturing, production planning control, quality assurance, material management, servicing and maintenance, spare parts management, field installation and commissioning, site surveys, communication systems design and planning, project management, sales and marketing. Specific assignments with targets of time, finances and resources are required to be accomplished.

LOCATION

The manufacturing facilities of the company are located at Mohali near Chandigarh. The selected candidates for respective assignment may be posted at Mohali or anywhere in India.

REMUNERATION

Attractive salary, perks and performance linked incentives are available. Package is negotiable and shall be commensurate with merit and experience.

APPLICATIONS

You may send your applications at the under-mentioned address giving complete bio-data and year-wise details of experience. The details in the application should be sufficient for preliminary shortlisting.

DY. GENERAL MANAGER (P&A)
PUNJAB WIRELESS SYSTEMS LIMITED
B-53, PHASE-VI, SAS NAGAR (MOHALI)
CHANDIGARH-160 055

JAISONS

WANTED A MULTIFACETED PERSONALITY FOR TWO MULTINATIONALS

If you are looking for a career in a multinational, here's an opportunity that lets you work with two ■

Lintas India Ltd., is looking for an Account Manager for a key global client, MasterCard International Inc. ■

MasterCard International is one of the leading bank card organisations in the world, with over 29,000 member banks , 15 million cardholders and 8 million merchants in 174 countries ■ MasterCard is also the leading card system in India, with over 100,000 cardholders and 10 member banks ■

Now, to facilitate MasterCard operations in India, Lintas is initiating a long term project which requires an outstanding individual with an MBA degree and 5 years of Sales/Marketing experience ■ Self-starters with seasoned interpersonal skills will be preferred ■

The job, based in Bombay, involves interfacing with several aspects of the credit card market, mainly to identify and develop key marketing programmes for card acquisition and usage ■ This includes development of the merchant base in India, constant update on data through market research, and interaction with all member banks ■

Opportunities for foreign travel are extensive, and an integral part of the job ■ The remuneration package will be at par with the best in the industry ■

Those interested should send their resume to: The Personnel Manager (MC), Lintas: India Limited, 801 Mohandev, 13 Tolstoy Marg, New Delhi – 110 001.

LINTAS : INDIA

CAREER IN CONSULTANCY

Business Consulting Group is a fast growing professionally managed consulting company specialising in industrial marketing research, business strategy formulation, diversification studies, technology forecasting and project feasibility studies. We are operating from Bombay and Madras.

We work for organisations like Du Pont, Hindustan Lever, Siemens, UB Group, Mahindra Ugine, Grindlays Bank, Union Carbide, Ion Exchange, Indian Seamless Metal Tubes, National Peroxide, FACT and other prestigious organisations in the private and public sector.

We would like self-motivated professionals with a genuine interest in management consultancy to join our team. Although other branch locations are on the cards, the new members of the team will be located in Bombay. The work environment is informal and opportunities for excellent professional and personal development exist. The company offers a good salary package without housing.

Openings exist at the senior and middle levels for MBAs with science/engineering background (age 25-35) and junior levels for science/engineering graduates (age 19-23, experience not essential).

Apply with full particulars to:

Raj Nair/K.A. Ramakrishnan

Business Consulting Group

20, Sheila Mahal, Colaba Causeway, Bombay-400 005, India ☎ 224503, 2874896, 2874897

Our client, a fast growing Group of Companies, based at Hyderabad, is Looking for a top notch CementTechnologist with proven track record to be appointed as

CHIEF EXECUTIVE
CEMENT

The ideal candidate would be between 35-45 years with 10-15 years experience in the cement industry of which atleast 5 years in a senior position. Experience in Project Management and Commissioning is a must.

The Company's cement plant is in the process of major capacity expansion to 600,000 TPA The incumbent would be responsible for expansion, modernisation and commissioning of the plant. Upon successful implementation of the project he could look forward to occupying the position of Managing Director accountable for profitable functioning of the plant.

Salary and perks are comparable to the best in the industry and include accommodation, company car and excellent post retirement benefits.

Apply within 15 days giving full details of experience, present position and salary drawn to :

Director (Placement)

PROCESS A

PERSONNEL & ORGANISATIONAL SERVICES

616-B, Brindavan Apartments, Lakdi-ka-pul,
Hyderabad - 500 004. Phone : 222254

SAMCOR GLASS LIMITED

Samtel (India) Limited — the country's largest manufacturer of Television Picture Tubes — is now promoting ***SAMCOR GLASS LIMITED*** *as a joint venture with* ***CORNING GLASS WORKS, USA.*** *In the first phase this is a Rs. 100 crore project to manufacture Television Glass for TV Picture Tubes. Samcor aims to become a world class manufacturer by adopting the most modern, state-of-the-art technology and management practices. Applications are invited for :*

ASST. GENERAL MANAGER (ENGINEERING)

The incumbent will take the responsibility of erection and commissioning of sophisticated light and heavy engineering production equipment, material handling and utility services with a high degree of engineering excellence during the project stage and maintenance of plant and machinery thereafter. Applicants should be graduates in Mechanical Engineering with 16 to 20 years experience and a proven track record.

Salary and perks have been designed to attract the best talent. Please apply within 10 days with complete bio-data, salary drawn and expected, superscribing the envelope with position applied for to :

The Assistant General Manager (H.R.)
Samcor Glass Limited
50-51 Community Centre,
New Friends Colony,
New Delhi-110 065.

Amul SAGAR

Gujarat Co-operative Milk Marketing Federation Ltd.

requires

EXECUTIVE (EXPORTS)

Ours is an apex co-operative marketing organisation ngaged in the marketing of milk and dairy products nder the brand names of "AMUL" and "SAGAR" all ver the country with annual turnover exceeding s. 450 crores.

ducational Qualification and Experience: The andidate should be a First Class Graduate in any iscipline preferably with Diploma in Foreign Trade om a recognised Institute with minimum 5 years' of xperience in export of consumer products and Iarketing. The candidate should be thoroughly miliar with Export/Import procedures.

ob Description: The selected candidate will be esponsible for increasing the exports from the present vel of Rs. 2 crore per annum to Rs. 20 crore per annum the course of the next 3 years. In the process he will ave to set up and strengthen the existing Export Cell nd will be required to execute export orders and omplete all formalities. He will be responsible for co-rdination with the production centres and other lated offices.

alary: Rs. 3500 to Rs. 4000. Benefits extra. (Benefits clude Provident Fund, Gratuity, Superannuation, eave Travel Assistance, Group Health Insurance, etc., per rules).

higher basic salary can be considered for deserving ndidates.

ge: 30 years.

pplications with full particulars of age, educational alification, present employment, experience, nguages known and salary drawn should be sent superscribed envelopes within 10 days to:

Manager (Administration)
Gujarat Co-operative
Milk Marketing Federation Ltd.
Post Box No. 10, Anand 388 001.

---

aurelec
data processing systems

Pioneers in Local Area Networks and manufacturers of a wide range of **high performance computers**, Aurelec has over the last 10 years built up a reputation for product excellence, technical advancement and great care for customers. We already have an extensive network of Branch Offices in Southern India. Now as part or our continued expansion we are looking for a

REGIONAL MANAGER FOR HYDERABAD

Will be primarily responsible for ensuring effective implementation of the company's marketing, sales and customer support strategies in the region. Should have held a similar position and have total work experience of not less than 10 years. Experience in electronics industry preferred. Emoluments will not be a limitation for the right candidate. If you are looking for a chance to use your experience in a stimulating environment, apply within 10 days to:

Aurelec Data Processing Systems
Prayogashala-Auroville
Kottakuppam 605104, Tamil Nadu

SOL PHARMACEUTICALS LIMITED, HYDERABAD.

We are a part of the professionally managed STANDARD ORGANICS GROUP of companies based at Hyderabad and having a turnover exceeding Rs. 80 crores. The group is primarily engaged in the manufacture and marketing of bulk drugs and formulations and also has interests in leasing of medical equipment, medical diagnostic services and fabrication of components. A 100 crore rupees project for the manufacture of Pencillin-G is being set up in Andhra Pradesh.

We are looking for young, dedicated and dynamic professionals who can meet the challenges of a competitive and growth oriented environment as:

TRAINING MANAGER
HYDERABAD

Science or Pharmacy Graduate with management qualification, having 10 years experience in Pharmaceutical industry of which atleast 3 years of enviable track record in training field personnel will meet our need.

This high priority position will be responsible for setting up the Training Department, preparation of the training manuals and programmes, leading and developing a team of Training Managers or Executives, coordination with the Medical Services and the Product Management Group, preparation and updating new product launches and managerial development within the Marketing Division.

The Training Manager will also plan the annual training/development schedules, curriculum, select participants and faculty.

He would report to Executive Director (Marketing).

DY./ASST. MANAGERS (TRAINING)
(BANGALORE, BOMBAY, HYDERABAD, DELHI, CALCUTTA AND MADRAS)

Science or Pharmacy Graduates preferably with management qualification with a minimum of 7 years experience in Pharmaceutical sales and management having a flair for teaching will be our requirement.

High degree of skills in communication and persuasion are needed for the job. This position will form a team with the Training Manager to assist him in the implementation of all the training and development plans and also in participating and conducting the programmes.

MANAGER (MARKET RESEARCH)
HYDERABAD

Graduate with management qualifications having 10 years experience in Marketing with atleast 3 years experience in Pharmaceutical Market Research will be ideal.

The Market Research Manager would define the trends and opportunities, generate information, conduct surveys, monitor and audit marketing performance. He would also advise the management on products and services, price and packs, strategies and approaches. He would report to Executive Director (Marketing).

Interested candidates may please apply within 10 days of this publication to: **Group Personnel Manager, P.B. No. 320, Hyderabad - 500 001.**

GUJARAT COMMUNICATIONS & ELECTRONICS LTD.

(A Govt. of Gujarat Undertaking)

A-42, GIDC Electronics Estate, Sector-15,
GANDHINAGAR - 382 015

REQUIRES
A SENIOR EXECUTIVE
for Material Management.

Gujarat Communications & Electronics Ltd., a Public Sector undertaking owned by Govt. o Gujarat engaged in manufacturing of Profession Electronic Equipments. GCEL has manufacturir plant at Baroda and Gandhinagar(Capital of Gu rat) and has achieved turnover of Rs. 75 crore and is targeted to achieve Rs.100 crores in 90-9 Gandhinagar unit is manufacturing Electronic Push Button Telephones,Rural Automatic Exchange and other professional communicati equipments. GCEL requires a Senior Executive for Material Management position for Gandhinagar unit.

QUALIFICATION :

Degree in Engineering/Post Graduate/ in Science or Commerce Post Graduate qualification in management preferably with specialisation in material management from reputed Institute/University is desirable.

EXPERIENCE :

Minimum 10 years of experience in a Senio Position in the materials management dept. o a medium or a large scale professional Electron Company. The candidate should have a fair knowledge of the international and national sources of professional electronic components. Should be able to organise the Purchase and Stores functions of an Electronic Industry independently. Knowledge of compu erisation of Purchase and Stores functior is desirable. Should be familiar with licencing formalities and be able to laision with the Govt. agencies in this regard.

AGE AS ON 30.6.90

40 Years, 45 Years for SC/ST candidates.

EMOLUMENTS :

Commensurate with qualification and Experien Besides emoluments, other benefits like Medical reimbursement, conveyance allowance will be admissible according to the rules applicable to employees of Gandhinaga unit of the Company.

Eligible candidates may apply within 10 day from the date of advertisement to the General Manager at the above address alongwith Rs.10. Indian Postal Order. No Postal Order is required for SC/ST candidates.

JAYANT VITAMINS LIMITED

Jayant Vitamins Limited, a leading bulk drug/ chemical/pharmaceutical company with a turnover of around Rs. 40 crores with operational growth prospects, invites applications to fill up vacancies for Managers (Production) and Assistant Managers (Production) at its plant at Dosigaon Industrial Area, Ratlam (M.P.), as specified.

MANAGERS – PRODUCTION

The applicants should possess a basic degree in Chemical Engineering/Chemical Technology/Biochemical Engineering/ Doctorate in Organic Chemistry, and a minimum of 7 years' experience in production in a reputed manufacturing facility. Candidates with experience in manufacturing Bulk Drugs/Antibiotics/Fermentation products or other Fine Organic Chemicals will be preferred. The incumbents will be responsible for the overall productivity of the plant under their charge. Total minimum salary will be Rs. 70,000 p.a. or more, commensurate with qualifications and experience.

ASST. MANAGERS – PRODUCTION

The candidates should have a basic degree in Chemical Engineering or a post-graduate degree in Organic Chemistry and have a minimum 3 years' experience in a Fine Organic Chemical production facility. Total minimum salary will be Rs. 45,000 p.a. or more, commensurate with qualifications and experience.

Please apply within 10 days, superscribing the post applied for, on the envelope, to:

Personnel Department
JAYANT VITAMINS LIMITED
Raheja Centre, 1st Floor
Nariman Point, Bombay.400 021

everest/90/JVL/289

ANAGRAM FINANCE LIMITED

We are a professionally managed multi-division company belonging to a rapidly growing Industrial Group based at Ahmedabad. We have grown steadily over the last 5 years and are now on the threshold of major expansion. We are looking for performance driven finance-professionals for the following positions.

MANAGER (MARKETING)

NEW DELHI

This post reports to the Executive Director and involves taking charge of the operations of the Company in North India. The job will involve constant inter-action with existing and potential clients, aggressive marketing of financial instruments like Leasing, Hire Purchase etc. The candidate should be a CA or MBA (Finance) from a premier management institute with an excellent academic record and effective communication skills. The applicants should have 3-4 years'experience in the field of Finance preferably in the area of marketing of Financial services.

FINANCE EXECUTIVES

(AHMEDABAD, BOMBAY, NEW DELHI)

The job involves aggressive marketing of financial instruments like Leasing, Hire Purchase etc. The candidates will be responsible for the generation and follow-up of business enquiries. Applicants should be CA or MBA (Finance) from a premier management institute with an excellent academic record and effective communication skills. The candidates should have 1-2 years' experience in the field of Finance/Marketing of services.

Apart from attractive remuneration the jobs offer excellent growth potential, informal work atmosphere and high degree of job satisfaction.

Applications with full details regarding salary drawn and expected may be addressed to:

The Executive Director
Anagram Finance Limited
300, Ashima House, Near M.J. Library,
Kavi Nanalal Marg, Ahmedabad-380006.

Sanket Ad.

FEDDERS LLOYD

We are a fast growing professional multi-product Organisation moving towards Market dominance in Consumer Durables. Our ambitious expansion programme requires professionals with a proven track record. Positions exist at our various units at Delhi/Jabalpur/Noida/Bhiwadi/ Chandigarh.

PRODUCTION MANAGER:

Should be Mechanical Engineers with 8-10 years experience in Production in a Medium sized Industry.

MATERIALS MANAGER:

Should be an Engineer with 8-10 years experience in Materials Management/Purchase. Exposure to imports of Engineering items is desirable.

PERSONNEL MANAGER:

MBA with Personnel Management and/or LLB with 7-10 years experience. Exposure to IR is a MUST.

MAINTENANCE ENGINEER:

Engineers/Diploma holders with 3-4 years experience in Maintenance of Power/Break Presses, shearing machines, D.G. sets, Air Compressors etc.

LIAISON EXECUTIVE:

Graduates with 3-4 years experience in dealing with Government Departments such as ISI, Ministry of Defence, DGS & D etc.

SALARY :

Salaries for all the above positions will be better than the best in the industry.

Kindly superscribe on the envelope the position applied for.

Please apply with complete bio-data in confidence to:

GENERAL MANAGER (HRD)
FEDDERS LLOYD CORPORATION LTD.
159 OKHLA INDUSTRIAL ESTATE
NEW DELHI-110 020

BBAA-FL 05-890

MINDA

Ours is a professionally managed group manufacturing leading brand of automobile components. We have 4 manufacturing plants located in Delhi and employ around 800 people. We have collaboration with ZADI SPA, ITALY for making new-generation locks at our Noida plant. Challenging work environment and rapid career growth is the offer for the right candidates, who would strengthen our management team to achieve our growth plans and double the turnover.

MANAGER -OE MARKETING **DELHI**

The incumbent will be responsible for all marketing activities relating to OE customers located all over the country. The job would involve technical interface, design modification and development co-ordination with manufacturing plants and R&D, order execution and effective operational control. Candidates should be Engineering graduates/diploma holders with 5-8 years of relevant experience in marketing of automobile products preferably with OE interface too.

AREA MANAGERS-MARKETING **EAST-1 WEST-2**

The incumbent will lead and motivate a team of Sales Officers in the region and achieve sales targets, develop new dealers, nurture and improve existing dealer net-work. Candidates preferably with 6-8 years of auto trade marketing experience should apply.

ASSISTANT MANAGER - PRODUCTION ENGINEERING **DELHI**

The incumbent shall be responsible to conceive, plan and execute productivity improvement plans. Candidates should be graduate engineers, preferably with 3 years of industrial engineering experience.

Salary and level of placement shall not be a constraint for the right candidate.

Please apply with complete details in strict confidence to:

Senior Manager (Personnel),
Minda Switch Auto Ltd.
81-D, Kamla Nagar
DELHI-110 007

Electrical / Mechanical Engineers

Location: Malaysia
Emoluments M$ 2000 - 3000

Leading Mechanical & Electrical Consulting Engineering Firm in Malaysia seeks qualified and experienced Mechanical and/or Electrical Engineers for their Projects to be based in Kuala Lumpur.

Applicants should have a basic Electrical or Mechanical engineering degree and a minimum of three to five years experience in the design of building services associated with multi-storeyed office, commercial and condominium buildings, factory, institutional and industrial buildings, water-supply schemes, sports complex and turf-club projects.

Appointment on a contract basis, will initially be for a period of two years with option for extension depending on performance of the individuals.

Applications mentioning post applied for (Elec/Mech) shall be forwarded in duplicate, complete with copies of certificates, testimonials, details of experience and recent passport size photograph to reach the office of

Arjay Management Private Limited
ARJAY-APEX CENTRE
24 COLLEGE ROAD
MADRAS 600 006

All applications will be treated in strict confidence and interviews will be arranged with short-listed candidates in Madras

CHHAYA/RJ/2250

NIPPON DENRO ISPAT LIMITED

Leaders in Private Sector in manufacture of Galvanised Steel Sheets and Cold Rolled Steel Sheets and pioneers in Colour Coated Steel Sheets, for their Marketing Department at Nagpur and factory at Kalmeshwar (22 Kms. from Nagpur)

Require

EXECUTIVE ASSISTANTS TO SR. EXECUTIVE (CODE-EASE)
Qualification: Chartered Accountants or Graduate Engineers or Commerce Graduate with MBAs. Should be analytical and sharp at figure work having good communication skill. Should be able to interact with Senior Managers and give complete professional support to Sr. Executives by making available empirical data.

Experience: Minimum five years, preferably of steel industry.

MARKETING EXECUTIVES FOR COLOUR COATED STEEL SHEETS (CODE-MECCS)
Qualification: Graduate Engineers or Commerce Graduates/Diploma holders in Engineering. Should be a live-wire salesman with result oriented approach. Should be able to interact with various branches/depots and possess good communication skill.

Experience: Minimum three to seven years for graduate engineers and six to ten years for Diplomas/Commercial graduates in Marketing preferably of steel products.

APPLICATION ENGINEERS (CODE-APECCS)
Qualification: Degree in Architectural/Structural Engineering. Drive, initiative and a sense of total responsibility will be other qualifying parameters.

Incumbent will participate actively in Marketing Operations and customer service.

Experience: Minimum five years in designing and fabrication work. Should be able to develop design concept and detailed engineering for use of COLOUR COATED STEEL SHEETS in roofing, cladding, panelling, false ceiling and other construction areas.

Age for above three posts: Around 30 years. Age and Qualifications are relaxable for highly experienced candidates.

Emoluments: Commensurate with qualification and experience and will match with the best industries in the country. Facilities of transporting employees from Nagpur to Kalmeshwar and back in a company owned luxury bus will be made available.

Please send your bio-data with full particulars of age, qualification, experience and salary drawn and expected, superscribing the post code on application, alongwith passport size photograph within 10 days to:

The Dy. General Manager (P&A)
Nippon Denro Ispat Limited,
A-10/1, MIDC Industrial Area,
Kalmeshwar — 441 501, Dist: Nagpur (MS)

Sen & Sen/NDIL-490

PHOSPHORUS AND CHEMICALS TRAVANCORE LTD.,

REQUIRE A

CHIEF EXECUTIVE

responsible directly to the Board of Directors.

The ideal candidate would be a mature Executive with experience of electro-chemical industry preferably of manufacturing phosphorus.

Academically, he should have a degree in Chemical/Electrical Engineering/Chemical Technology. An additional qualification in management would be given weightage.

The plant is located near Alleppey and about 25 kms from the Head Office in Cochin, Kerala State.

Duties of the position include overall supervision of plant operations and general administration of business. Preferred age: 40 to 50 years.

Remuneration package to the selected candidate will recognise the importance of the position in the Company.

Applications, which will be treated in strict confidence, should give full details of qualifications, practical experience, present position and salary, expected remuneration with a passport size photograph, and be addressed to reach

Dr. M. V. Kamath,
8A, 7th Main Road, R A Puram, Madras 600 028.
Within 15 days of the publication of this advertisement.

ARMOUR INTERNATIONAL

Armour International is engaged in global trading. Besides promoting products of Armour Group which has established credentials in exports, we also plan international trading of quality hi-tech products of other established companies in the areas of Pharmaceuticals, Agrochemicals, Dyes and Intermediates. To give further impetus to exports, the Company will shortly be establishing offices abroad. In order to cope up with the expansion and diversification in its activities, the Company needs:

GENERAL MANAGER — EXPORTS (3 POSTS)

• PHARMA • AGROCHEM • DYES *Salary: Over Rs. 2 lakhs p.a*

The incumbent will be responsible for identifying and developing new markets/customers. He should have a proven track record of at least 5 years in a Senior Management position in India abroad. Graduates with MBA will be preferred.

Please apply immediately with complete bio-data to:

The Director
Armour International 54-A, M. Vasanji Road, Andheri (E), Bombay 400 093.

ABC's major specialisations include Corporate Consultancy • SWOT Analysis • MIS • Operations Research • Industrial Engineering

CHIEF PURCHASE MANAGER

Raw, wet blue, crust & finished leathers

Madras

Excellent Terms

Our client **FARIDA GROUP OF COMPANIES** are leading exporters of full shoes and shoe uppers in large volumes worldwide. The Group has most modern manufacturing facilities including a large tannery for manufacture of high quality finished leather. They are on the lookout for a highly competent professional to head the procurement organisation.

The incumbent will have total responsibility for leather procurement both through local and international sources. He will assume charge of vendor development and purchase activities and will be accountable for timely procurement of leathers as per quality & cost specifications. He will also actively interact with the tannery in development, processing & production of required quantities. He will also closely interface with shoe factories to ensure optimum utilisation of material and minimise wastage.

Candidates should have an excellent track record of around 10 years in leather procurement & processing. They should be thoroughly familiar with supply sources for different types of leathers both within the country and overseas. Qualification in leather technology will be a definite advantage but emphasis is mainly on actual field experience in leather procurement. Candidates who have ventured into their own leather procurement business and wish to join the organised sector will be ideally suited. Age: Above 35. **Candidates with lesser experience will be considered for appropriate middle management positions.** Code: CPM/MDS/29.

Emoluments will be attractive and will not be a limiting factor for the right candidate.
Apply within ten days with detailed bio-data marking envelope & application with job title & code. ALL APPLICATIONS WILL BE TREATED IN STRICT CONFIDENCE.

Personnel Selection Division

ABC CONSULTANTS PRIVATE LIMITED

4, Khader Nawaz Khan Road, Madras 600 006, Tel. 470778

Data Processing • Materials Management • Organised Cost Reduction •

Bajaj International Pvt. Ltd.

require

EXPORT MANAGER Bombay

We are a growth oriented professionally managed Company of the Bajaj Group. We are engaged in Export of Consumer Durables, Agricultural Products, Luminaires, Electronic Products and import of metals & electronic components. We have ambitious growth plans for increasing our import and especially export business.

The incumbent should have a proven record of success in import and export trade preferably in our/allied lines. He will be required to formulate and achieve the plans for imports and exports as per the growth plans of the Company and should have thorough knowledge of Export Marketing, Overseas connections, Import/Export Trade rules and regulations, 100% EOU Licencing/RBI formalities. He may be required to travel overseas for about ten days a month.

He should be a Graduate in Commerce or Science with post graduate qualifications in Import/Export Management.

Age : Around 35-40 years.

The position carries an attractive compensation package and offers a challenging career opportunity for the right candidate. Accommodation will not be provided.

Please apply in confidence within 10 days to

Shri Ajit Shah
Director-in-Charge
Bajaj International Pvt. Ltd.
C/o Post Box No. 927, BOMBAY 400 023

THE DHARAMSI MORARJI CHEMICAL COMPANY LTD.

require

MAINTENANCE MANAGERS

Remuneration Rs. 7,000/-
+ Accommodation

Candidates for the above positions will have a degree in Mechanical/Electrical Engineering from a reputed university with a minimum of 5 years industrial experience at senior level. The position demands good insight and knowledge of boilers, turbines, compressors, pumps and material handling equipments. There will be a team of mechanical, electrical and instrument engineers to provide sufficient support to enable planned maintenance of chemical plants. Those who have worked in Thermal, Sugar, Cement, Paper or Chemical plants will be suitable for this position.

The above positions are at Company's factories at Kumhari near Bhilai (Dist. Durg — M.P.), Roha (Dist. Raigad — Maharashtra) and at Company's plant near Amreli (Saurashtra).

Salary and benefits for each of these positions will not be less than Rs.7,000/- per month, besides rent-free accommodation.

Candidates applying for these positions must clearly indicate their preference in terms of locations together with details of their age, qualifications, experience, etc. Applications, in envelopes, superscribed with the position applied for should be forwarded within 10 days of this advertisement to:

General Manager (Personnel),
The Dharamsi Morarji Chemical Co. Ltd.,
Prospect Chambers,
317/21, Dr. D.N. Road,
Bombay-400 001.

SALORA SALORA SALORA SALORA SALORA SALORA SALORA SALORA

PROFESSIONAL EXPLORERS WANTED

We are looking for dynamic Export Managers. Their constant endeavour will be to explore new markets. And expand our business horizons.

We, at ECP, are part of a large business conglomerate, which has interests in Consumer Electronics (Salora). Telecommunications. Dry Cell Batteries. Office Automation Products. And Electronic Components. Our group has entered into collaborations with leading international companies in Japan and Europe. The group turnover exceeds Rs. 300 crores.

Our international division, now poised to become a Trading House, is looking for Export Managers to head:

PRODUCT GROUP	LOCATION
Garments	Bombay
Leather Products	Bombay
Commodities/ Food Products	Bombay
Consumer Electronics	New Delhi

The incumbents must possess a basic qualification in Engineering, Foreign Trade or technology related to the product groups. They should be between 27-35 years of age, with 7-8 years' experience in the export of the above products. The candidate selected for the Commodities/Food Products group, will be expected to set up the Exports Division of this group.

Remuneration is no constraint for suitable candidates.

For discovering a world of exciting opportunity, apply with resume within 15 days to:

The Director (Operations)
ECP Ltd.,
9/10 Arcadia, Nariman Point,
Bombay 400 021.

SALORA SALOR

INDIAN SEAMLESS

growth through excellence

We are the flagship company of a rapidly growing group, reputed for its technological expertise and marketing strengths. Our current turnover has touched 600 million and is slated to cross 2500 million within the next 3 years. We require :

APPLICATION ENGINEERS

for our marketing offices at Pune/Bombay/Delhi/Calcutta/Bangalore. We are looking for bright young engineering graduates in Mechanical/Metallurgy with 1 to 2 years' experience in the manufacturing or marketing functions of a medium/large engineering industry.

Please apply in confidence, within 10 days, with full details of qualifications, experience and remuneration expected, superscribing on the envelope the position applied for, to :

The Personnel Department

The Indian Seamless Metal Tubes Ltd.
6E, Ramabai Ambedkar Road, Pune 411 001.

90-626

W A N T E D

Meticulous, **B**rilliant, **A**mbitious

MANAGEMENT TRAINEES

We are a large business house with an all India network and a gross turnover of over Rs.150 crores. To meet the challenge of growth during the next decade, we require Management Trainees in the fields of marketing/ sales/ finance, to be posted at Ahmedabad, Bangalore, Bombay, Calcutta, Cochin, Delhi, Hyderabad, Madras and Trivandrum.

Qualifications: MBAs from reputed Management Institutes, preferably with 2/3 years relevant experience.

Requisites: Candidates should be able to lead a team, and conceptually analyse field data. A flair for creative marketing/ finance management, and a high degree of inter-personal and communication skills are essential.

Selected candidates would undergo a year's training and orientation programme at any of the locations and, if necessary, at the headquarters of our principals. Thereafter, they will be absorbed in suitable positions in the organisation. The remuneration package, comparable with the best in the industry, may include international vacation travel.

Applications should be sent along with a detailed bio-data. The envelope, superscribed with the preferred place of work, should be sent within 10 days to:

Box No. AA/326/AR/2, **Business India**, Wadia Building, 17/19 Dalal Street, Fort, Bombay 400 001.

No compromises on essentials



Bhakta Charan Das, *the young Union minister for sports and youth affairs from Orissa, talks to Feroze Ahmed of* Business India *of his plans to achieve a balance of priorities and cost cutting, bearing in mind Madhu Dandavate's directive to reduce government expenditure. The interview assumes special importance with the Beijing Asian Games just round the corner*

The sports goods and equipment business being dominated by expensive foreign brands, how is the ministry planning to make cheaper sportsware available in the country?
Well, the standard of sports goods and equipment is poor and not good enough for top level competitions. But there is no question of encouraging foreign products or foreign collaborations. I would like to see Indian manufacturers making a breakthrough in this area. The initiative has to come from them.

Sports is fast becoming a commercially viable proposition. Do you have a proposal that encourages private business houses to sponsor sports promotion efforts?
The idea of private sponsorships is good. Perhaps some business house could sponsor the Indian contingent's participation in the Beijing Asian Games. No one has come forward. But even on this score, I'm against encouraging rich multi-nationals as sponsors. I would love to have some Indian business house doing it, say like the Tatas.

In view of the current foreign exchange crunch, how will the ministry handle expenditure on the Indian participants in the Beijing Asian Games?
Well, there is no choice. We cannot skip the Beijing Games. We cannot deprive our sportsmen from competing with the rest of the continent's athletes to win medals and honour for our country. But we are not indulging in profligacy like our predecessors. During the last Asiad at Seoul, a huge contingent of 450 athletes and officials were sent, many of them for no reason. The government spent about Rs.1 crore on that contingent, of which about Rs.30 lakh was spent in foreign exchange. But this time we are restricting the squad to 250 members only.

Are you also restricting import of sports equipment and goods to save foreign exchange?
Comparatively, the imports of sports goods is quite small, and we are trying to check the inflow of unimportant goods. There will be no restriction on import of absolutely essential goods and equipment. Recently, we have allowed import of a large number of items needed by our athletes who will participate in the Asian Games.

What about overseas visits of sports coaches and officials for training and seminars?
We cannot afford to fritter away foreign exchange in indulgence on non-mandatory activities. Even the highe officials in the ministry, including m have dropped their plans to go abro would have liked to be at Beijing wit our athletes for a day or two but I a not going.

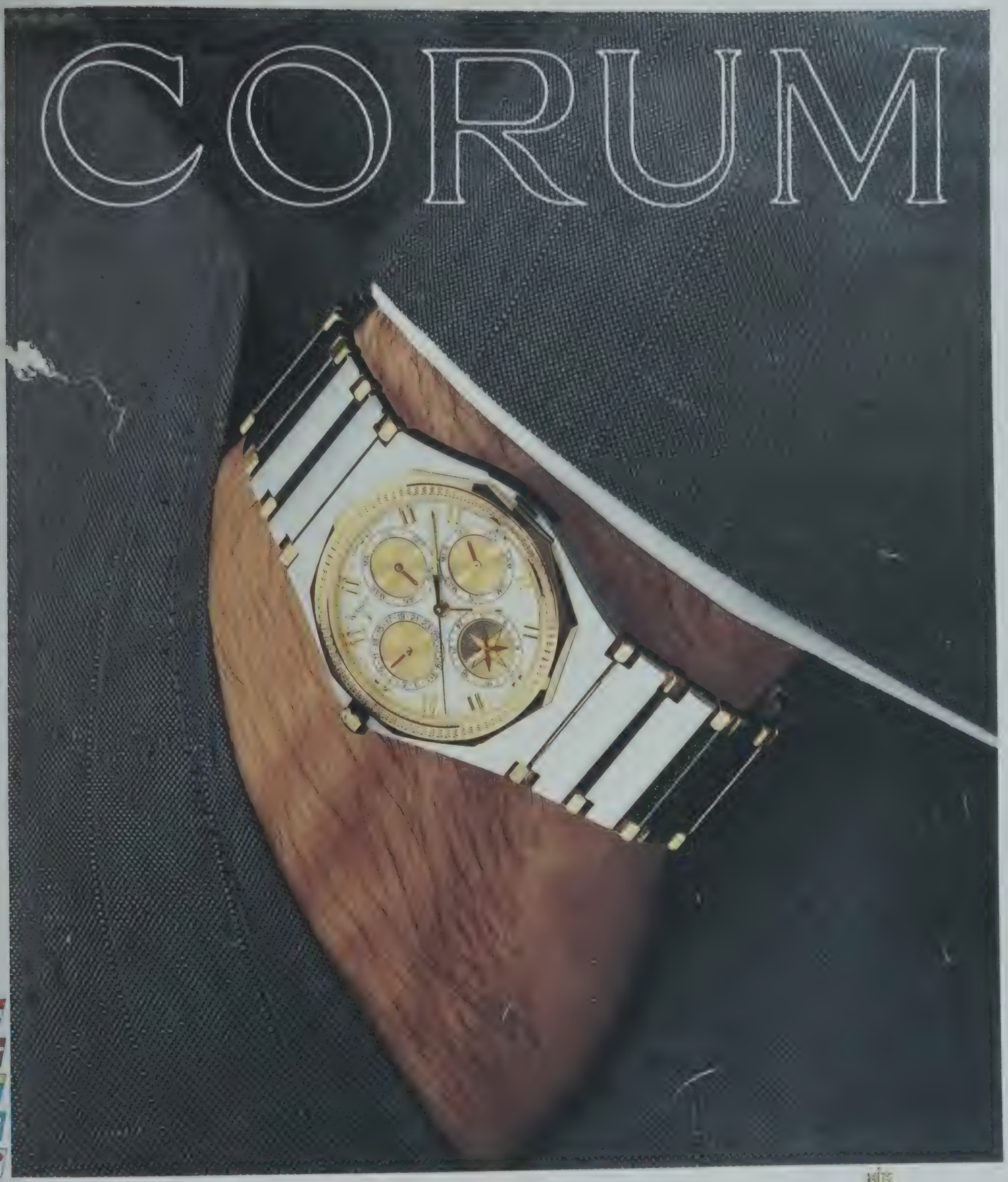
Are you also cutting expenditure maintenance of stadia and other infrastructural facilities?
Yes, we have to. The annual airconditioning cost of the Indira Gandhi Indoor Stadium alone is Rs. crore. That kind of expenditure we a strictly cutting out. The permissible petrol consumption for each car use the ministry has been cut from 250 150 litres per month. The STD connections of all the officials, inclu mine, that we had at our residence been cut, and the airconditioning facilities have been suspended in th offices. I am hopeful that we can contribute meaningfully to the country's well being in this hour of crisis.

Will these curbs affect the interes the very people and activity that y ministry was created to promote?
Well, the larger interests of the cou come before those of a particular section. But there is no reason for sportsmen to panic as the compro being made in promotional expendi for sports are not very drastic.

What is the provision for funds fo ministry of sports and youth affai the Eighth Plan?
The amount is proposed to be abou Rs.680 crore. But that was based on recommendation of a committee set by the previous government. I think will downscale this to a more reason level keeping in view the national priorities.

Your state of Orissa has remained backward in sports. Are you maki any special effort to improve th sportsmen in your home state?
Well, I will try to see that all the ar that have remained neglected will get some attention from the government. My focus is on rural ga However, if a proposal for a stadium training centres comes from the stat government of Orissa, I will consider But the same is true of a proposal fr any other state as well.

We cannot skip the Beijing Games. We cannot deprive our sportsmen from competing with the rest of the continent's athletes to win medals and honour for our country. But we are not indulging in profligacy like our predecessors. This time we are restricting the squad to 250



DESIGNS ON TIME

CORUM
SUISSE

dually made with a degree of skill and care that belongs to a former time, Corum
es carry design into the future.

miral epitomises this with the distinctive feature of four small dials showing the day, date, month and cardinal points of
compass. The strong and virtually scratchproof tungsten-carbide links that make up the bracelet are fastened together with
solid gold bolts.

Corum watches are on view at the finest jewellers in the world.

address inquieries to
Corum, 2300 La Chaux-de-Fonds, Switzerland

RN 35850/80

REG. No.
SO



The times of consolidation

August 1942. The freedom struggle entered its do or die phase. From now till 1947, history would be made every day, by men and women of rare courage.

Jamnalal Bajaj had just passed away. His son Kamalnayan inherited profound responsibilities.

Kamalnayan's wife, his younger brother Ramkrishna and sister were in prison; yet he had to accomplish the tasks given him. Helping those who were still free, while protecting others who were hunted by the police, many to face death sentences.

With Independence, Kamalnayan Bajaj was one of the leaders entrusted with the next vital task. The integration of India. As Treasurer of the All-India States' Peoples' Conference and a member of the Congress Working Committee entrusted with integrating local units of the All-India States' Peoples' Conference with Provincial Congress Committees. It was another successful crusade. He inaugurated the Deccan States' Union, the first Union of princely states in the country, officiating for Sardar Patel.

Though Kamalnayan Bajaj was elected to Parliament for three terms, he realised that the family business had been neglected during the freedom struggle. It had to be reorganized and revitalised, to contribute to the industrial growth of the nation.

His foresight was remarkable. Kamalnayan saw the need to test our products in world markets and build the nation's industrial image. India's steel industry was profitable, yet he exported steel even at a loss. When the steel market dulled, Mukand Iron & Steel survived by exporting.

He favoured foreign collaborations which brought vital know-how and expertise to India rapidly and at low cost. Today, the same Bajaj companies which collaborated with the best are now independent; capable of developing and marketing quality products of their own, at home and abroad.

He believed it was a national duty to share know-how and technology. Bajaj companies have helped many small entrepreneurs. Played a key role in assisting mini steel plants. Provided technical collaboration for the production of scooters, in India and abroad. Encouraged small manufacturers to produce household appliances and accessories, giving them a sound marketing facility and a trusted brand name.



Yet, Kamalnayan never lost touch with the broader aspects of national life. He was active in diverse fields, from khadi and village industries, to education, Goseva, the teachings of the Gita, blind relief and many Gandhian constructive programmes.

When Kamalnayan Bajaj passed away in 1972, JRD Tata wrote, "I knew him for many years and was well aware of his devoted adherence to Gandhian ideals in his business as well as personal life. In him the country has lost a courageous patriot and a man of character and integrity."

bajaj

4.6

Business India

magazine of the corporate world | September 17 to 30, 1990 | Rs. 8

The Business India SUPER 100

INDIA'S MOST OUTSTANDING PRIVATE COMPANIES

INSIDE

L'affaire Abhey Oswal



Saviour for Standard Motors

Moody's Blues

ITC-TTL merger



GREAT SAILORS, THE GREEKS.

FACES ETCHED DEEP LIKE DRIFTWOOD.

RUGGED OUTSIDE. GENTLE INSIDE.

LIKE OUR RANGE OF LINEN SHIRTS.

IN COOL WHITES. QUIET PASTELS. BRILLIANT SOLIDS, TOO.

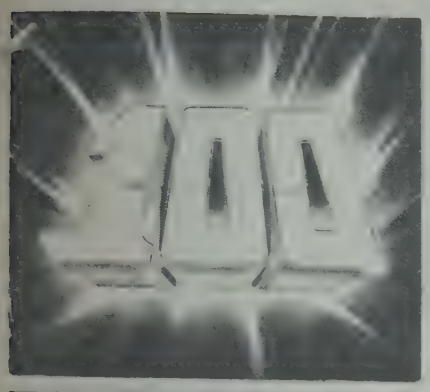
WITH EMBROIDERED STROKES OF GENIUS.

EXACTLY WHAT YOU'D EXPECT FROM TH

INDIA'S SINGLE-LARGEST SHOP FOR MEN'S WEAR.

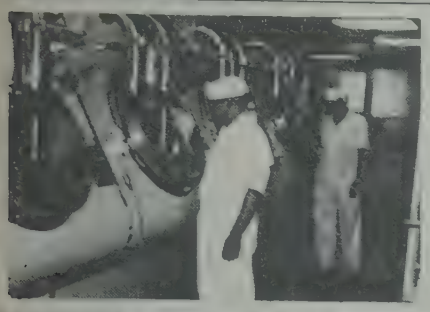
ONLY AT BHULABHAI DESAI ROAD, BOMBAY.





COVER FEATURE

97 THE BUSINESS INDIA SUPER 100
Big is always better, simply because it has grown so big in a world where roughly everyone has had the same opportunities. *Business India* has used this simple logic in compiling its first annual listing of India's 100 best private companies



CORPORATE REPORTS

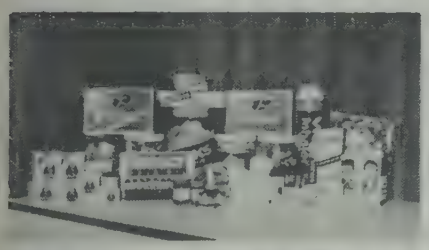
62 LML
A new confidence
In an effort to fight back, the company has a prestigious tie-up with Piaggio which will involve the collaborator actively in the management of the joint venture



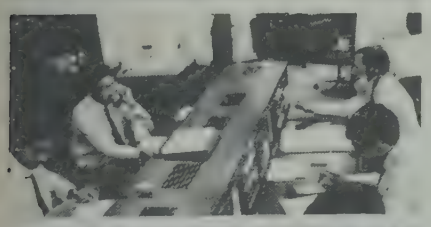
63 ROCHE PRODUCTS
Trading to the rescue
One of the last remaining FERA multinationals in pharmaceuticals, the company is now planning to reduce its foreign equity holding and get into trading



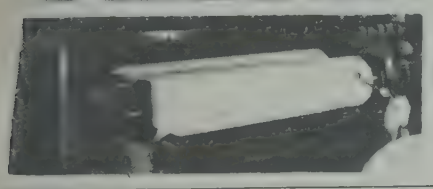
64 ITC-TTL MERGER
The best option
The proposed merger of Tribeni Tissues with ITC will considerably expand the group's paper business



66 PROCTER & GAMBLE
Beyond the *khich-khich* image
Derided as highly overrated and unduly cautious by its competitors, the company has set itself ambitious goals



69 STANDARD CHARTERED
A new awakening
Following the installation of its first Indian CEO, the oldest foreign bank in India is set to renovate its staid image



74 STRAW PRODUCTS
Creating a larger presence
After years of stagnation, the company is now on a high growth track

SPECIAL REPORT



85 L'affaire Oswal
Over the past few years, the growth of the Abhey Oswal group of companies has electrified the stockmarkets. What are the companies up to, and what have they done with the money raised from the public?

10 EDITORIALS
Prasar Bharati: meaningless autonomy

Kuwait: Indian interests first

National Commission on Women: a mere token

33 BUSINESS NOTES
Petrochemicals are in the eye of a storm raised by the current world oil crisis

The leather industry has just managed to meet its export targets, and is aiming high

Polyester staple fibre units are turning the corner but need concessions

The new guidelines on ship acquisition have only increased the confusion

Air India's apparent altruism has not drawn praise from all the Indians it airlifted from Kuwait

43 FOLLOW-UP
ICI India's operations need reappraisal in the light of ICI plc's decision to get out of fertilisers

Scindia shareholders stand firm to blow away the clouds over the company's management

92 FINANCE
The Moody's team is believed to have gone back with a positive outlook about India, but a rating committee's verdict is expected to be announced only in October

133 ENTERPRISE
Ranutrol Hansa has managed to come out with the right products at the right time

139 INTERNATIONAL
New York hotelier Sant Singh Chhatwal has gone through grilling times, but could be on to a good thing now

A UK-based NRI could prove to be a saviour for Standard Motors, which could be third time lucky

216 INTERVIEW
G.V. Ramakrishna, chairman of the Securities and Exchange Board of India

116 Advertising
168 Books
33 Business Notes
28 Businessmen in the News
52 Centre
143 Computers
145 Corporate Monitor
62 Corporate Reports
97 Cover Feature
158 Deposits
44 Economic Indices
49 Economic Outlook
10 Editorials
133 Enterprise
175 Executive Ladder
170 Executive Life/Style
92 Finance
43 Follow-up
14 For Your Information
59 Government
51 Guest Column
131 International
216 Interview
160 Investor Contest
173 Jobwatch
127 Labour
3 Letter from the Publisher
7 Letters to the Editor
16 Listening Post
155 Market News
80 Marketing
153 New Issues
21 News and Events
165 People
121 Photo Feature
171 Professional Profile
176 Reader Service
85 Special Report
156 Stockmarkets

Published by Ashok H. Advani for BUSINESS INDIA, Wadia Building, 17/19 Dalal Street, Bombay 400 001 and printed by him at the Tata Press Limited, Bombay 400 025 and BUSINESS INDIA, care Usha Offset Printers Pvt. Ltd., 125 Govt. Industrial Estate, Kandivli (West), Bombay 400 067. Phototypeset by Business India Photosetters.

If only the Guinness Book of Records had a section on Pumps, we'd be in it.

World's first seventh edition pump (API-610)

From the first name in pumps, comes the last word in pump technology.

CHEMFLO–AKP seventh edition pump as per API-610 is the first of its kind in the world.

Years ahead in performance, the pump is the product of AKAY's in-house research and product development through CAD/CAM to meet the exacting standards of API-610 (Seventh edition.).

CHEMFLO–AKP seventh edition pump's incredibly rugged design makes it energy efficient as well. Ideal for Petrochemical, Refinery, Fertilizer, Nuclear and Chemical Industries.

Add it all up! And you can see why the AKP series seventh edition pumps are something even people from America, Europe, Middle East and Japan are excited about.

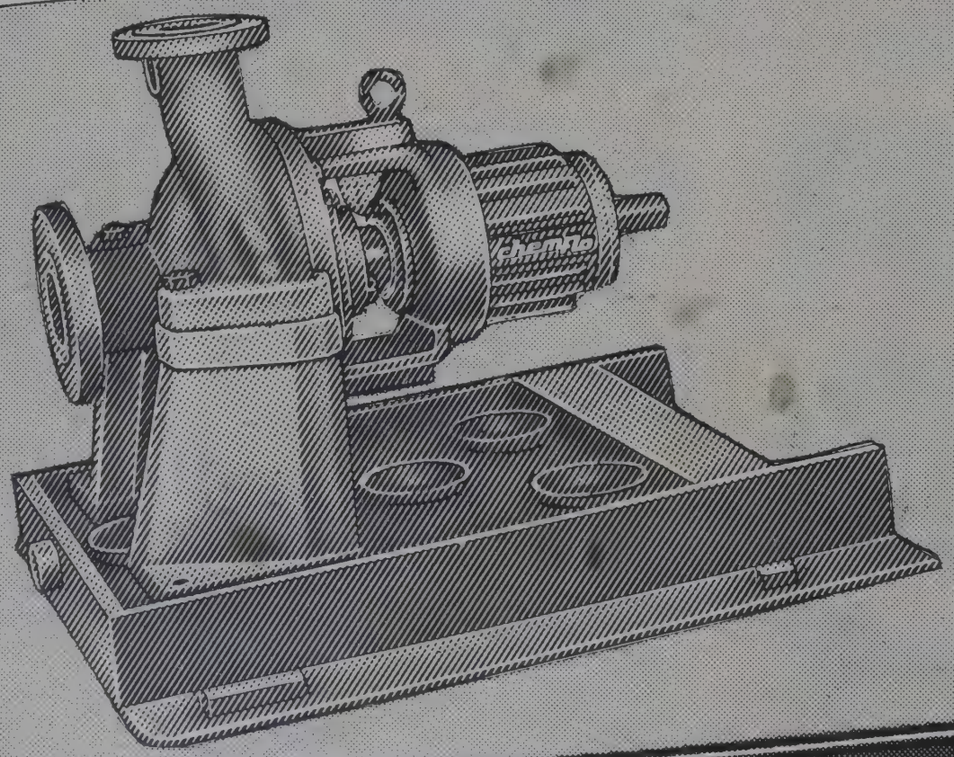
CHEMFLO-AKP seventh edition! It's what the world has been waiting for!

AKAY INDUSTRIES

Sales Headquarters
Post Box 6557,
Bombay 400 018, India.
Gram: AKAYIND.
Telex: 011 73771 AKAY.
Phone: 492 4590.
Fax: 494 6677

Branch Sales Offices
New Delhi • Calcutta • Madras • Vadodara

Manufacturing Plant
Hubli 580 020, Karnataka, India.



chemflo® Leadership... by desig

ARMS-AK-CCD

Business India

Publisher	Ashok H. Advani
Associate Publisher	Malvika Singh
Assistant Editors	Naazneen Karmali, Basudev Dass (Bom.) Sushila Ravindranath (Madras) N. Radhakrishnan, Eapen Thomas (Bom.)
Senior Correspondents	Dilip Maitra, Sekhar Seshan (Bombay)
Correspondents	K. G. Kumar (Trivandrum) Dharani K. Pani (Madras) Teesta Setalvad (Bombay) Devaprasad Purokayastha (Bangalore) Raju Bist (Bombay) Sumit Ghoshal (Bombay) Rahul Sharma (Bombay) Alpana Killawala (Bombay) Roop Karnani (Pune)
Staff Writers	Madhumita Bose (Calcutta) Shekhar Ghosh (Bombay) Gayatri Bhandarkar (Calcutta) Lancelot Joseph (Bombay) Arif Sharif (Delhi)
Chief Sub-editor	F. S. Pinto
Senior Sub-editors	Tushar K. Das, Jayakumar Menon
Sub-editors	L. Fernandes, Kausalya Vijapurkar Rahul Goswami, Shankari Chakravarty
Documentation Head	Anjum Rajabali
Photographers	Pankaj Desai, Ravi Patil (Bombay) Sajal Bose (Calcutta)
Executive Director	Atul Deshmukh
Marketing Director	Pheroza Bilimoria 2024422/2024424
Advertising Manager	Roopina Nicholson 2041974/2253
Asst. Advt. Manager	Ferzine Esmail (Bombay) 2041974
Sr. Advt. Executives	P. L. Baluja (Calcutta) 448455 Minal Jagtiani (Hyderabad)
Advt. Executives	Shenaz Rangwala (Bombay) 2041974 2042253 Prabha Nair, Archana Pillai, Ritu Krishna (Delhi) 312485 Sumati Bedi, N. Pankaja (Madras) 474964 860714 Purnima Shah (Bangalore) 265149
Subscription Manager	Anita Mehta 274161
Asst. Circulation Mgr.	S. Ravi N. Iyer (Bombay) 274161
Regional Sales Representatives	Monisha Mehra (Delhi) 312485 S.S. Kannan (Madras) 474964 860714 Minal Jagtiani (Hyderabad) Purnima Shah (Bangalore) 265149
Design	Trilokesh Mukherjee
Asst. Art Director	Paulomi Shah Madhvani
Design Team	Raphael Fonseca, Bertie D'Souza, Mukesh Pandya, Andrew Gonsalves
Production Manager	Henry Serrao
Distribution	India Book House Pvt Ltd
Registered Office	Wadia Building, 17 19 Dalal Street, Fort, Bombay 400 001. Tel: 274161 271558
Editorial, Marketing, Advertising & Administration Office	Nirmal, 18th floor, Nariman Point, Bombay 400 021 Tel: 204 6236 202 4422 202 4424 Telex: 011 83557 BZIN IN
Delhi Office	59, Regal Building, Connaught Circus, New Delhi 110 001 Tel: 312485 Telex: 031 61359 NFW IN
Madras Office	Flat No 4-A JP Tower, 4th Floor 7 2 Nungambakkam High Road Madras 600 034. Tel: 474964 860714 Telex: 041 7118 BZIN IN
Calcutta Office	Krishna Villa, 100 Park Street, Calcutta 700 017. Tel: 448455

Subscription rates (effective 17 September, 1990)
INDIA: ANNUAL SUBSCRIPTION Rs. 165
Plus Rs. 5 for cheques not drawn on a Bombay bank.

OVERSEAS (One year only)
Airmail only to Pakistan, Bangladesh, Sri Lanka, Afghanistan and Burma Rs. 770 or US$55, Middle East, Asia, Europe, Africa & Australia Rs. 1,380 or US$95. North and South America Rs. 1,445 or US$100.

Cheques to be drawn in favour of ***Business India.***
Rates include airmail charges.

Unsolicited manuscripts cannot be returned unless accompanied by postage.

LETTER FROM THE PUBLISHER

Not too long ago, a list of India's 100 most outstanding companies would have consisted of three Tata companies (Tisco, Telco, ACC), two Birla companies (Hindustan Motors, Century) and 95 piles of dust. Our cover feature indicates how vastly different the situation is now. The variety is greater now in activity as well as management styles.

But two features stand out. First, the list is still dominated by the capital intensive companies. Thanks largely to our government policy which has discouraged intellectual innovation, large turnover and profits still require heavy doses of capital. There are no marketing success stories in the list, no Coca-Colas or Apple computers. Second, the top 100 contribute disproportionately to the nation's output. They contributed over 15 per cent of gross domestic product and over 80 per cent of private corporate savings. This creates a major risk for the health of the economy. A slight setback to any of these affects the nation's well being. Since all these companies are unionised, the greatest risk is that of labour trouble. But it could equally be power problems in Bihar or West Bengal, for example. The reason for this concentration has been the government's policy of reserving funds for large capital expansions which has reduced the liquidity available for smaller entrepreneurs. The benefit may have been a high rate of growth, but at the cost of employment and innovation.

The other notable feature is that family-run firms continue to dominate the corporate scene — an indication that professional management has yet to gain the respectability and confidence that it commands abroad. This is no doubt changing, and the fact that companies like HDFC are on the list is a welcome sign. The government could help the process by reducing the burden of wealth tax which prevents individuals from accumulating investible wealth.

The much-publicised affair of Abhey Oswal taking *Business India* to court brings out the importance of a vigilant press. Oswal has now retracted his suit with a written apology. He has also withdrawn in writing his allegations questioning the ethics of *Business India* and the concerned correspondent. This is in the right spirit of things and opens the way for a useful investigation of a group of companies which has been in the forefront in raising funds from the investing public. During the past four years, the group has raised over Rs.900 crore from capital markets. As a magazine, we owe it to our readers to assess the quality of this investment.

Ashok H. Advani



Now a telephone that lets you call people by their names, not numbers.

Imagine a phone that allows you to forget the number of the party you are calling. Just key-in the name or the initials and lo! the call is made. Take a look at the Natelco ONYX Alphanumeric 2-line directory phone. The super-smart phone that stores upto 200 frequently called phone numbers along with the name of the party. And that's not all, it can also offer you facilities like hands free operation, conferencing, digital clock display, call timer, auto redial, etc. You'll find that Natelco has captured your imagination and turned it into reality. And the ONYX Alphanumeric is just one of the telephones from the Natelco range of futuristic and feature-packed phones that come in different models and sizes to suit every requirement and pocket.

NATIONAL TELECOM OF INDIA LTD. ● F-16/17, Commerce Centre, Tardeo Road, BOMBAY-400 034. Tel: 4938080, 4948868, 4948884, 4947951/52. Telex: 11-76180 fax (9122) 4930588 ● 41/14, Swaroop Complex, Karve Road, PUNE- 411 004. Tel: 332074/1352. Telex: 145679 ● Sommerset, B-203, Opp. Vijaya Bank, M. G. Road, BANGALORE-560 001. Tel: 544028 ● 405, Ashoka Estate, 24, Barakhamba Road, NEW DELHI 110 001. Tel: 3310299, 3315099. Telex: 03162795.

LIBRARY & DOCUMENTATION UNIT

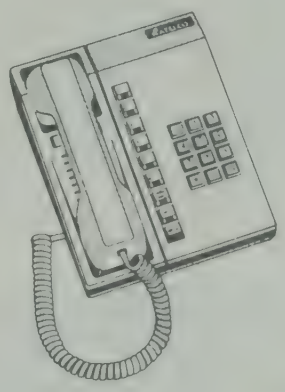
elco 90's EPABX System

a look at the features of any X System available in India. take a look at the Natelco m's features. The difference is . In fact the Natelco EPABX is dvanced that it can actually e your Telephone Operator ndle twice the number of And a simple 1-step ation encourages all users to e sophisticated features of stem, without having to mber a list of numerical s. Natelco can even give you figuration that's just right for however small or large.



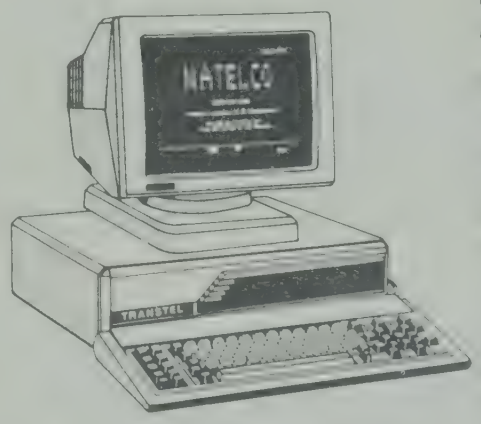
Natelco Electronic Key Phone System

Natelco breaks the myth that key phone systems are inflexible! Presenting M616 — A sophisticated and feature-packed phone system that combines the expandability of an EPABX with the convenience of a key phone system. All you have to do is add snap-in cartridges to the Central Unit and plug in the additional phones and the M616 expands to suit your new requirements. M616 also offers you for the first time unique features like Barge-in, Travelling Class of Service and Optional Battery Backup.



Natelco Computerised Telex

Kill two birds with one stone! A telex machine that's also a word processor!! Yet so user-friendly that it hardly requires any operator training. On-screen help to guide new users, single key access to most functions, a quick reference guide that fits neatly on to the key board together with short code dialing for 100 frequently used telex numbers and networking capacity make the Natelco computerised telex unbeatable. What's more, the Natelco telex is available in 4 basic models with the option of adding two drives.



Technology: The Secret Of Better Performance.

What makes the Natelco Communication System so much superior to other similar systems available in India? It's today's technology. Take for instance the Natelco EPABX. It incorporates the very latest C-MOS, VLSI technology and is designed to offer total reliability and high MTBF.

Proved 500 Times Over

The efficiency and reliability of the Natelco range of communication systems can be easily gauged by the fact that in just a span of one year, it has over 500 installations in leading organisations. Would you install an outdated communication system in your state-of-the-art office, now that you have a choice?

NATELCO

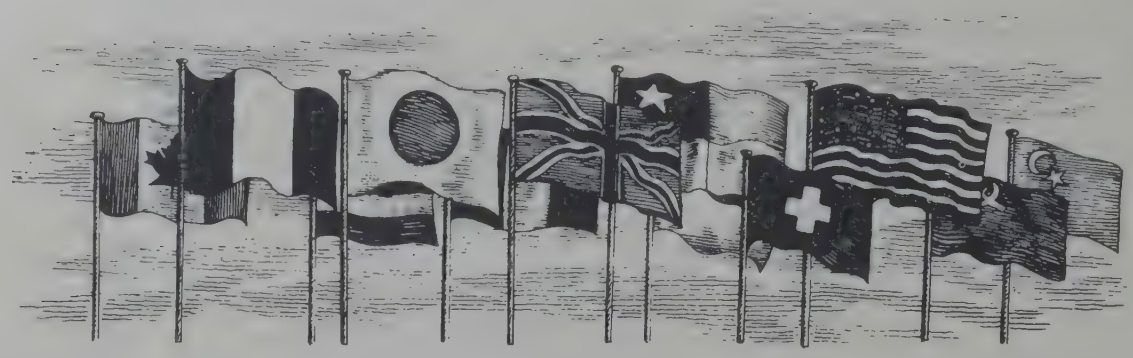
TOTAL COMMUNICATION SYSTEMS

echnology so advanced, it's so simple to use.

sed Dealers: • **Bombay:** Avhan Enterprises Tel: 4301195. Cygnet Enterprises 42638, 6404741. Sigma Communications Pvt. Ltd. • **Ahmedabad:** Unique Communication System • Nagpur 10909 • Pune: Cable Industries - Tel: 55356, 54560. Dial AM Computers - Tel: 660006. • **Madras:** Concepts & Devices Tel: 865022. Global 9992. • **Hyderabad:** H.P. Communication - Tel: 843147 • **Delhi:** Gurusons India - Tel 5717222 5719784. • **Calcutta:** Espee Ent



A MINIMUM OF PAPERWORK.



EXPERT KNOWLEDGE OF WORLDWIDE CUSTOMS REQUIREMENTS.



ONE ALL-INCLUSIVE PRICE.



IMMEDIATE DESPATCH OF YOUR SHIPMENT.

CAN YOU EXPECT THE SAME DOOR-TO-DOOR SERVICE FROM YOUR FREIGHT FORWARDER?

RAKA:3150:B:90

When shipping around the world, most freight forwarding companies depend on outside agents to handle your packages. At DHL, however, we offer you one door-to-door service, one all-inclusive invoice, and one truly global network. You can depend on the dedication of over 20,000 professionals, spanning more than 180 countries, and supported by over 7,000 vehicles and aircraft. So why not call us if you need an immediate pick-up today?

DHL
WORLDWIDE EXPRESS®

We are listed in the Yellow Pages/Telephone Directories.

DHL. THE COURIER DIVISION OF AIRFREIGHT LIMITED.



• Rogue unions

Your Cover Feature, 'The Indian Farmer' (20 August) was thought provoking, especially the interview with Verghese Kurien, where co-operative strategy, exploitation of villages and the new agricultural policy were discussed. Kurien's portrayal of the massive looting by organised labour, which hinders the efficient implementation of government policies, was relevant.

It is high time that remedial measures were taken to ensure that the co-operative movement succeeds in word and practice.

SUMAN KATHURIA
Chandigarh

• At last it has been put down in print, though it took a Kurien to say it: "There is massive looting by organised labour."

Can you please also give some details about the dairy that employs 10,000 people, and the fertiliser plant which has zero production and yet pays overtime to all its employees? It's time your magazine exposed the government representatives who frame and pass labour laws which promote such looting.

GOVARDHAN PATEL
Navali, Gujarat

• Wrong focus

The Middle East crisis again brings us face-to-face in an impending fuel shortage. Our government in its conventional wisdom has come up with an equally conventional solution — closing petrol pumps on Sundays, not using vehicles on one of the working days, etc — that solves nothing in the long run.

The focus should instead be on producing electrically operated passenger vehicles. There are at least two such projects in Karnataka — one to manufacture cars and another to manufacture two-wheelers. Whatever happened to these projects?

P. BALA BHASKARAN
Ahmedabad

• Resting on laurels

"A bold resurgence" (Corporate Report, 6 August) makes interesting reading for one who has been in the soap industry for the last four decades. This lack-lustre organisation with declining sales was actually "a low market Edwardian bar soap company". Its products had no unique selling proposition to attract consumers but perhaps offered value for money. This conservative team never ventured into anything new and rested on the past glory of Hamam and 501. Any new product introduced, went bust due to lack of sales promotion.

Only now have they realised, though late, that marketing is the prime mover in any leading consumer organisation.

C.R. KRISHNAN
Consultant, John Soap Industry
Ghaziabad

• Setting records straight

Please refer to 'Commercial diving — still in the shallows' (Feature, 14 May). The author has apparently been misinformed by various interviewees. While it is true that ex-Indian Navy divers had to be trained or are being trained abroad for approval by the ONGC, it is not correct that Dolphin Offshore Pvt Ltd and Duke Offshore Pvt Ltd have spent any money on such training.

We have a list of divers and documents from banks to show that it is the divers who have taken bank loans to finance their training abroad and the above companies merely stood guarantors to the banks. Only the state-owned Mazagon Dock Ltd has spent money on the divers it trained abroad.

Besides Mazagon Dock, a public sector undertaking, manufactures offshore rigs, builds diving vessels and has spent large amounts to indigenise diving/underwater services.

As regards the profit margin of the companies, it is from divers' wages that they used to make 35 to 40 per cent profit. It is only because of growing awareness amongst the divers that exploitation has now been reduced.

N. CHAKRABORTY
All India Professional Divers Association
Bombay

• Good work

That Kotak should have promoted bill discounting successfully while the banking industry, which should have taken the initiative, made no headway is a telling comment on the way the banking sector functions (Finance, 6 August).

Although the Reserve Bank of India's guidelines in this regard had been set long ago, it's attitude was discouraging.

The low rate of interest/discount charged by private discounting firms compared to that charged by the banking industry only helped the private firms gain mileage. The banks merely implement RBI guidelines which require that 25 per cent of the total working capital limit, sanctioned to a borrower, should be through bill discounting.

V.K. AGARWAL
Pathankot

• Dave goes scot-free

S.A. Dave has been let off the hook (Interview, 6 August). Unit scheme 64 has proved one of the worst investments for small investors. Rising inflation has nearly eroded its entire capital reserves.

Why doesn't the UTI issue bonus units? Or, as an alternative, formulate an innovative scheme —say one for one for sixties holders, and one for two for seventies holders, and so on?

In any case, what holders of scheme 64 would like to know is whether Dave is a custodian of small investors' funds, or is playing bulls and bears his only concern.

M.K. JAIN
New Delhi

• Ban, too farfetched?

Please refer to the article, 'Is a ban justified' (Health, 6 August). The ban on BVO (brominated vegetable oil) too is debatable on the same grounds as the ban on fluoride. Experiments reveal that the BVO content in Indian beverages (3 parts per million) is far below the danger level and ten times less harmful than that in beverages abroad.

Tea on the other hand has a fluoride level of 97 ppm, approximately 25 times above the danger level, which is 4 ppm. Will the government ban tea and coffee for these reasons?

V.V. RAMESH
Vizianagaram

• Mountain of a mole hill

Your article, "And now, tea", seems to have drawn some fearsome conclusions over fluoride poisoning (For Your Information, 6 August).

Fluoride is an essential nutrient for the normal development and growth of human beings. Systematic research in various aspects of fluoride has revealed that 1 ppm of fluoride in drinking water has no biological side effects and, in fact, promotes health. Levels of fluoride in drinking water above 1 ppm produces skeletal fluorosis (4 to 8 ppm) and bone deformities.

The question is whether tea leaves (with 98 ppm of fluoride on an average) can cause fluoride poisoning. Fortunately, the Indian style of tea drinking, involves boiling the tea leaves with milk — the toxic effects of the fluoride in tea are neutralised by calcium and protein in milk. The ban on fluoridated toothpaste is not going to prevent systemic toxic effects in the high fluoride areas or endemic fluoride belts such as Bhatinda belt in Punjab, the Salem and Dharmapuri dis-

tricts in Tamil Nadu, Guntakal and Anantpur in Andhra Pradesh, and certain areas in Rajasthan. Fluoride toothpaste is a topical applicant and is hardly ingested. Rather, it is the fluoride in drinking water that needs to be checked.

Dr. SARITA RAWAL
New Delhi

• Granite export

This is with reference to your write up on granite exports (Business Notes, 6 August). Unless the Central government takes immediate steps to remove all restrictions and hurdles imposed on export of raw granite blocks, there is every possibility that our granite industry will come crashing down in the next two to three years. If the indifferent and impractical approach of the state governments continues, countries like Brazil and China, who have already taken away large portions of our share in the international market, will take away all.

J. ROY RICHARD
General Secretary
Tamil Nadu Quarry Owners and Exporters Association
Madras

• Favouritism in disguise

The snippet on the appointment of retired people as consultants in an organisation (For Your Information, 20 August) was highly amusing.

Apart from appointing 'high tech' and other specialised consultants at the managerial level, there can be tremendous scope for such consultants at practically every level in an organisation.

In actual fact, however, many companies, resort to such re-appointments as a safe camouflage for accommodating some of their favoured employees whose employment cannot be continued once they reach the retirement age.

GEORGE J. COELHO
Bombay

• Reach out to us

The Alumni Association of the Regional Engineering College, Trichy is planning to come out with a directory of ex-RECTians. All ex-students are requested to furnish relevant details to:

Dr. M.G. Sethuraman, Joint-secretary REC Alumini Association REC Trichy 620015

M.G SETHURAMAN
Tiruchirapalli

• Quality dykes

One appreciates your fairly regular articles on quality management. However, the article, 'Building quality dykes' (Management, 6 August), which was otherwise well written, could have focused briefly on the need for quality in our country.

The Japanese realised this need long ago and are now reaping a rich harvest. The Americans too have recognised this need and transformed it into a national goal. But what worked for them may not work for us. Several premier bodies, including the Bureau of Indian Standards and the Indian Statistical Institute, have been struggling hard for the last three decades to bring about a change in the level of commitment to quality. As a practising specialist on corporate quality, I feel we need to build a model to suit our own culture. Without proper planning in this direction, our quality drive would be a misguided effort.

RAGURAMAN. C
Ghaziabad

• The right name

In the section, Corporate Monitor, (Results Announced, 20 August) the name of our company has been erroneously printed as Hindustan Tektronix Instruments instead of Hinditron Tektronix Instruments.

A.J. ASHAR
Hinditron Tektronix Instruments Ltd
Bombay

• For the record

I was surprised to see some erroneous information published in 'Gamble pays off' (Corporate Report, 6 August). I would like to draw your attention to the following facts.

I promoted and floated National Rayon Corporation Ltd in the year 1946 with Manilal and Tatas' help. Babhubhai Chinai was neither its promoter nor a director on the board of National Rayon Corporation Ltd at any time.

Secondly, it is incorrect to that membrane cell techno for the manufacture of cau soda was being replaced by m cury cell technology when the other way round. Membr cell technology did not even ist in our time and caustic so chlorine has always been p duced by the mercury process.

RASIKLAL J. CHINAI
Catalyst (India) Private Ltd
Bombay

• Fuel conservation

This refers to the Cover Feat 'The Gulf Crisis — the con quences' (3 September). Th could be considerable ene saving by introducing separ summer and winter timings.

In eastern India particula it is possible to set the clock b by one-and-a-half hours, for most eight months in a year, suring more daylight hours.

SALMAAN S. MOLOOBHOY
Bombay

• Caught you!

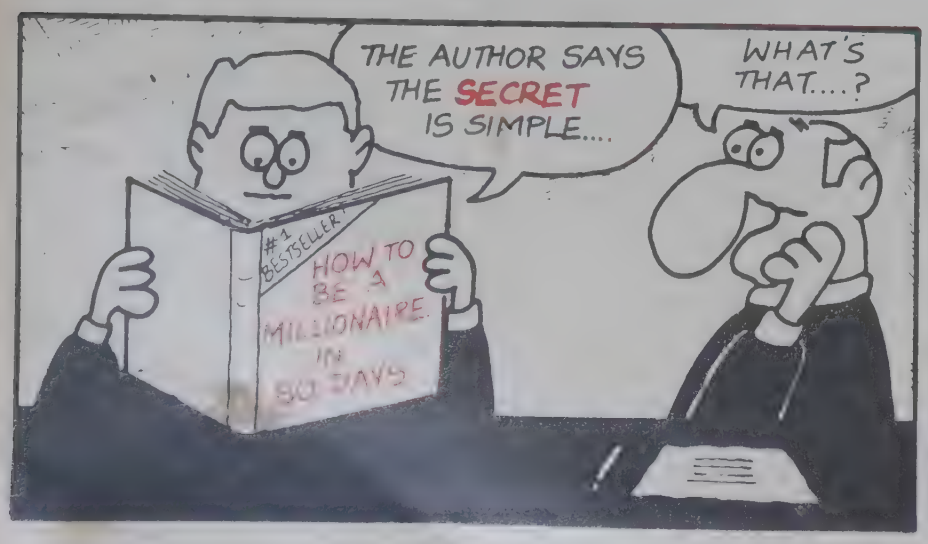
The following items in the iss dated 3 September w erroneous:

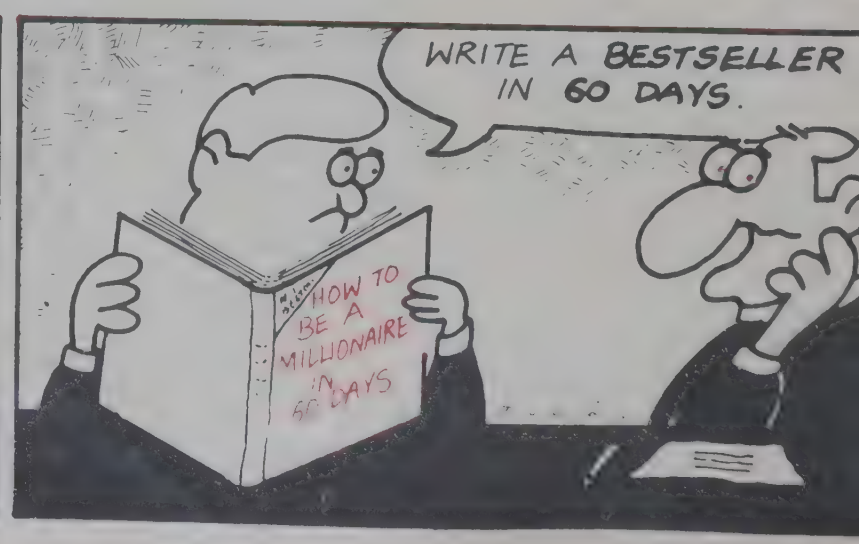
On the cover, you print "Capsian Sea" whereas it shou be "Caspian Sea". And P Gopalakrishnan is chairm and managing director of Indi Overseas Bank, not Indian Ba as you made out (Listeni Post).

V.R. VINAITHEERTHAN
Bombay

LIKE FATHER, UNLIKE SON

by Jor



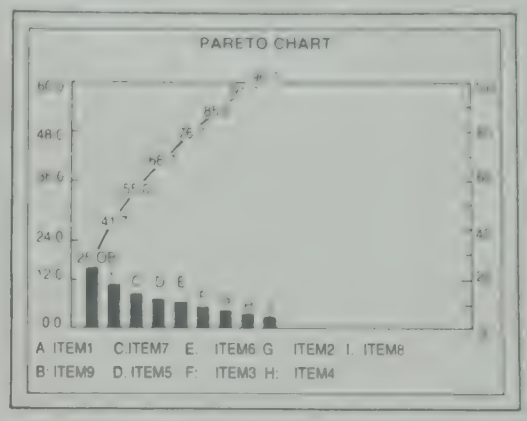


PRECISION

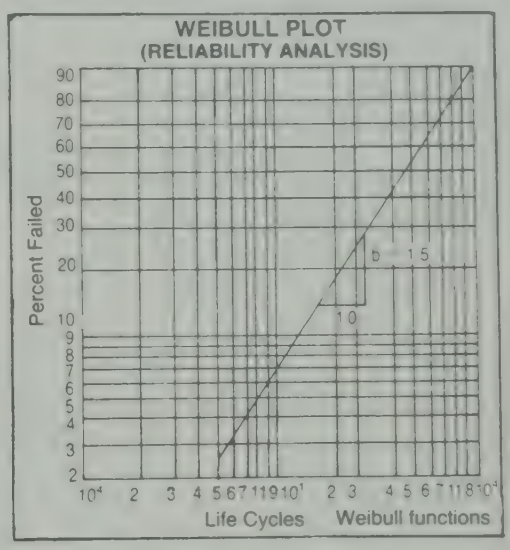


In Manufacturing and Process Control.

enabling you to touch new heights in Quality upgradation and



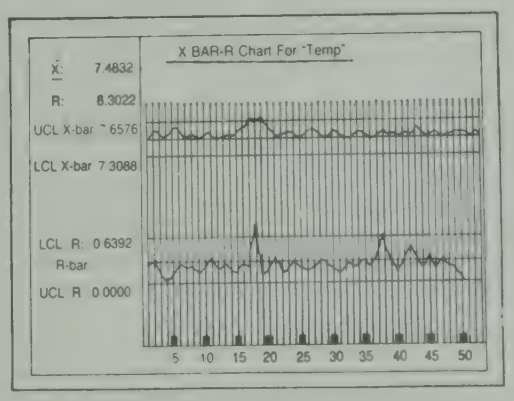
Productivity by using simple statistical



techniques. Bringing main frame capabilities to a P.C.And all this at a tremendously affordable price of just Rs. 25,000/-

SPC/SPS Software from INTERFACE. 'Uncompromising Quality Control and Reliability' For Rs. 25,000/- only.

Whatever be the product or service you offer — achieving high standards in quality control is the ultimate break-through you wish for. The revolutionary



SPC/SPS Software from INTERFACE does just that. Permits you to integrate the widest possible range of statistical data management and analysis capabilities —

For more information on the INTERFACE SPC/SPS package, write to or call:-

The Product Manager,
SPC/SPS Division,

Interface Electronics (I)
COMPUTERS PVT LTD
Unit No. 11, Electronic Sadan-2,
M.I.D.C. Bhosari, PUNE-411 026
Tel No: 390361
Tlx: 146-245 IFPN IN.

IRIS/IE/90/3

• BANGALORE: 266026: • MADRAS: 865916: • NEW DELHI: 618891: • BARODA: 324532: • BOMBAY: 4949107, 4940457

Prasar Bharati: meaningless autonomy



The political acrobatics of the Congress (I) in Parliament appear to have deflected public attention from the merits or otherwise of the Prasar Bharati Bill. On an issue deserving of serious and hard-headed appraisal, the opposition has once again scored a political "own-goal". The government, on the other hand, through a series of seminars held throughout India has sought to mobilise or co-opt intellectual and professional opinion in support of the Bill.

Barring K.K. Tewari, few would maintain, with a straight face, that Doordarshan and AIR perform satisfactorily. Apart from the absence of any autonomy, production of programmes is unprofessional and shoddy, and the technology dated and obsolete. No attempt is made to address a particular audience or to reflect the cultural diversity and plurality of the population. What is to be done is an entirely different proposition. What is not to be done is to confine the debate on the reform of the electronic media solely to the question of autonomy and assume that once such *nirvana* is attained all other problems get solved. Autonomy or lack of it is a generic problem of all public enterprises. Even several industrial public sector units that are legally autonomous are not so in practice. But the electronic media is attended with singular constitutional and technological implications which this Bill has failed to address. All the Bill does is to hive off Doordarshan and AIR from direct government control, make it a department of state and confer autonomy through the establishment of an ostensibly autonomous corporation.

This echoes the elites' age old obsession with the BBC paradigm. Doordarshan is criticised because it is not the BBC. This obsession ignores the fact that even in the UK, the BBC model is today outdated and irrelevant. It is no longer true that the BBC sets standards for excellence. Some of the finest productions of classics and the best examples of investigative journalism have emanated from Granada, an independent television company operating under a licence. The subject of standards in broadcasting along with treatment of politically sensitive topics can easily be separated from direct gove ment control through licensing. Once this argument is cepted there is no need for any Central body on the lines of t proposed corporation. A licensing authority can safegua public interest and at the same time permit private enterpr and community institutions the access to broadcasting.

Any intelligent attempt to reform the electronic me must take cognisance of two factors. First, the unprecedent development in communication technology that has tak place since the forties. Second, the variety of demands ma on the system by a diverse public. This in turn partially aris from a political system where regional forces challen Central authority and dictat. It is important that these oth wise fissiparrous forces are harnessed constructively a they be permitted access to the media rather than denie voice.

And behind these two factors are two seminal issues whi the Bill does not address: finance and staffing. Ultimately, t sovereign guarantee of autonomy is financial self relian through access to the market place rather than dependen on government largesse. And no matter how well constit tional protection afforded to the new corporation is drafte the fact remains that its personnel will be government se vants and its governors, political appointees. One is high sceptical of whether even the much vaunted "autonomy" w amount to anything given the lack of any political consensus this issue. Politicians love power and are exceedingly zealo about retaining it, and to expect politicians to willingly abd cate this to establish an inchoate concept such as principle, naive in the extreme.

In summary, this bill has no meaning insofar as its centr purpose — to legitimise government control over broadcas ing under the rubric of "autonomy" — is misplaced and pe nicious. It will only serve to set the clock back on the cause free broadcasting and greater democratic participation in th information revolution.

Indian interests first



Our government is repeatedly pleading at the UN that food and medicines be allowed to be sent for Indians trapped in Iraq and Kuwait. This exposes how little our government matters in international affairs, though over 170,000 Indian lives are at stake in Kuwait alone. Does Delhi have to fall in line with every move dictated by Washington or other big powers? While it is true that the UN Security Council unanimously voted for the embargo, the UN charter permits country, in humanitarian interests, to aid its own citizens.

The US and the UK have been anything but virtuous abou embargoes which did not suit them in the past. Have we for gotten how often these countries not only ignored, but delib erately blocked any attempt to impose sanctions agains South Africa for its apartheid and illegal occupation o

Namibia? Also, remember British firms busting — with their government's connivance — sanctions against Zimbabwe (then Rhodesia), accompanied by lectures against the need for sanctions. Why should our government follow sanctions which are clearly harmful to the well-being and interests of our trapped citizens?

It is time to specify exactly what is in our national interest. Above all else are the lives of our 170,000 citizens. Their condition is precarious and deteriorating rapidly. No European or American national has had to face the harsh desert transit camps. Next, is it in our interest to have an indefinite occupation of the Middle East by American forces? What if the crisis escalates into war? Tens of thousands of Indians could get caught in the crossfire. Many would argue that all the conditions set by the Americans for a pull-out are not necessary to protect our interests. And the American reason for going to war is not shared by all.

In essence we are advocating, first, supplying food and medicine to our people who are going to be in the Gulf indefinitely. Sending humanitarian supplies need not involve taking sides in the dispute. Second, we are not advocating breaking sanctions, yet. But we must certainly reserve our right to keep our options open, and to take decisions in our national interest.

NCW: a mere token



Despite vociferous protests by several women's organisations on the proposed National Commission on Women (NCW), Doordarshan lauded its establishment last fortnight, emphasising that the NCW represented a consensus of the views of several women's organisations.

The telecast was not merely a misrepresentation of fact. The experiences and opinions of grass-roots women's organisations grappling on an everyday basis with the problems of gender-related justice and equality formed no part of the official deliberations. In fact, only those organisations related to mainstream political parties such as the Mahila Dakshita Samiti were consulted.

The NCW will be a statutory body to investigate the deprivation of women's rights, the non-implementation and review of laws affecting women, and the inspection of remand homes and the housing of female prisoners. But it falls short on two vital aspects — the commission has only limited powers and an inadequate staff to fulfil these onerous obligations, and secondly, it lacks autonomy.

Though burdened with a list of ten impressive sounding functions, the NCW Bill 1990, grants the NCW few corresponding powers. It lacks the authority granted under the Commission of Enquiry Act to investigate lapses in legal violations. The NCW's five members (from different walks of life), under a chairperson sitting in Delhi, are unlikely to implement the ambitious "aims" even in the single area of equal payment of wages.

Further, the government's role remains ambiguous. The earlier power granted to the centre to terminate the services of the members before the expiry of the three year term has been curtailed. But the government has reserved the right to "direct" the Commission's activities.

Rather than splitting hairs, these objections are particularly relevant within a national scenario where the government itself is one of the largest defaulters in implementing laws relating to women. Government violations of the Equal Remuneration Act (ERA) that applies to female agricultural workers or the failure to give justice to the victims of custodial rape are cases in point.

Apart from these objections to its form, what is needed is a realistic appraisal of the concept of a commission on women. Its highly centralised structure is likely to force the NCW to tread the path of umpteen other such bodies that have deliberated issues concerning women for many years, spending public money and wasting the time of well-qualified persons to produce volumes of information and recommendations, which are duly acknowledged by the government and then conveniently forgotten.

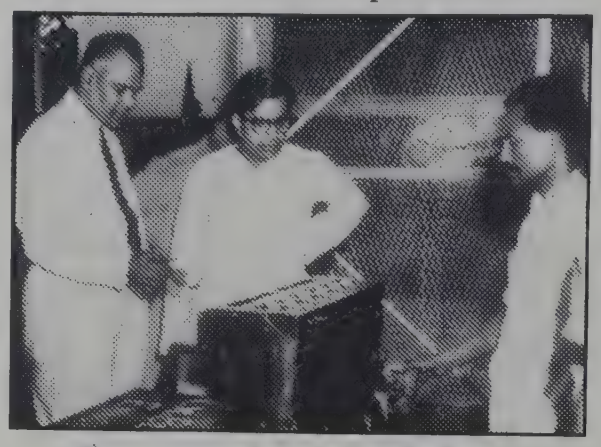
We have no dearth even now of such valuable information. What is lacking is implementation. It is no secret that the passing in Parliament of the Dowry Prohibition Act, the ERA, the Prevention of Immoral Traffic Act, and the revisions in the laws relating to rape have done little to reduce the magnitude of crimes of violence or discrimination against women.

Backed by hard evidence, it is grass-roots level women's organisations who already monitor and analyse loopholes in law and policy. Only recently, in its attempt to get justice for two women who died of burns in suspicious circumstances, one such group was hampered in its collection of evidence by its inability to get a copy of the post mortem report. Under existing criminal law, the document can only be released to "next of kin". It is such organisations that need to be empowered rather than a top-heavy body with a centralised structure.

An honest and sincere effort to implement objectives that are already on paper is what is really needed. Apart from attempts to shift the existing bias in policy and law, this was the goal for which the National Commission for Women was first conceived. In its present form, the government's answer to 15 years of struggle by the women's movement is a worthless token. Aborted before being born.

Let's celebrate the ma

When S. Anantharamakrishnan joined Simpsons as an employee, his English colleagues found his name too difficult to pronounce. And so they called him 'J'. Little did they know that 'J' would soon be implementing in India the alphabet of modern industrial production!



The story of Anantharamakrishnan will be a permanent tribute to Simpsons' ability to foster genius. He rose swiftly through the ranks to take over the company. A prophet of relevant and humane modernisation, he sought to unlock the treasures of the industrial age for the common good.

And to him, Simpsons was the key ... to an industrial structure that would help feed the needs of a nation discovering its future.

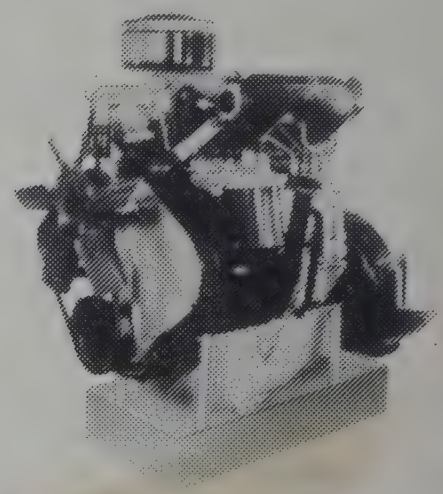
Simpsons today

From crafting horse-drawn carriages, to assembling motor vehicles, to manufacturing diesel engines, sought after for vehicular, agricultural, industrial and marine applications. That, in a nutshell, is the saga of Simpsons – from a company of artisans to a prime mover of industry.

Simpsons: foundation of an industrial powerhouse

A group of companies committed to enhancing the industrial stature of the nation. Pumping the lifeblood of a modern industrial economy. An industrial powerhouse.

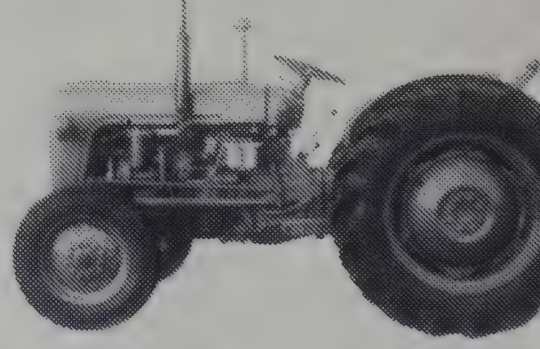
That was the ambition of industrialist Anantharamakrishnan and Amalgamation and Simpsons the ladder whose rungs took new heights. Using the solidity and financi strength built over a century to trigger an industrial chain reaction. Aided in this era progress by collaborations with a roster of



renowned corporations from Europe, the U and Australia – Perkins, Massey Ferguson, T&N Group, United Engineering & Forgin Van Moppes, Clevite and Repco. A roster i recent times expanded to include Yuasa, NI Nippon Oils & Fats of Japan, SAFT of Fra and Bookers of the UK.

Amalgamations : a continuing industrial revolution

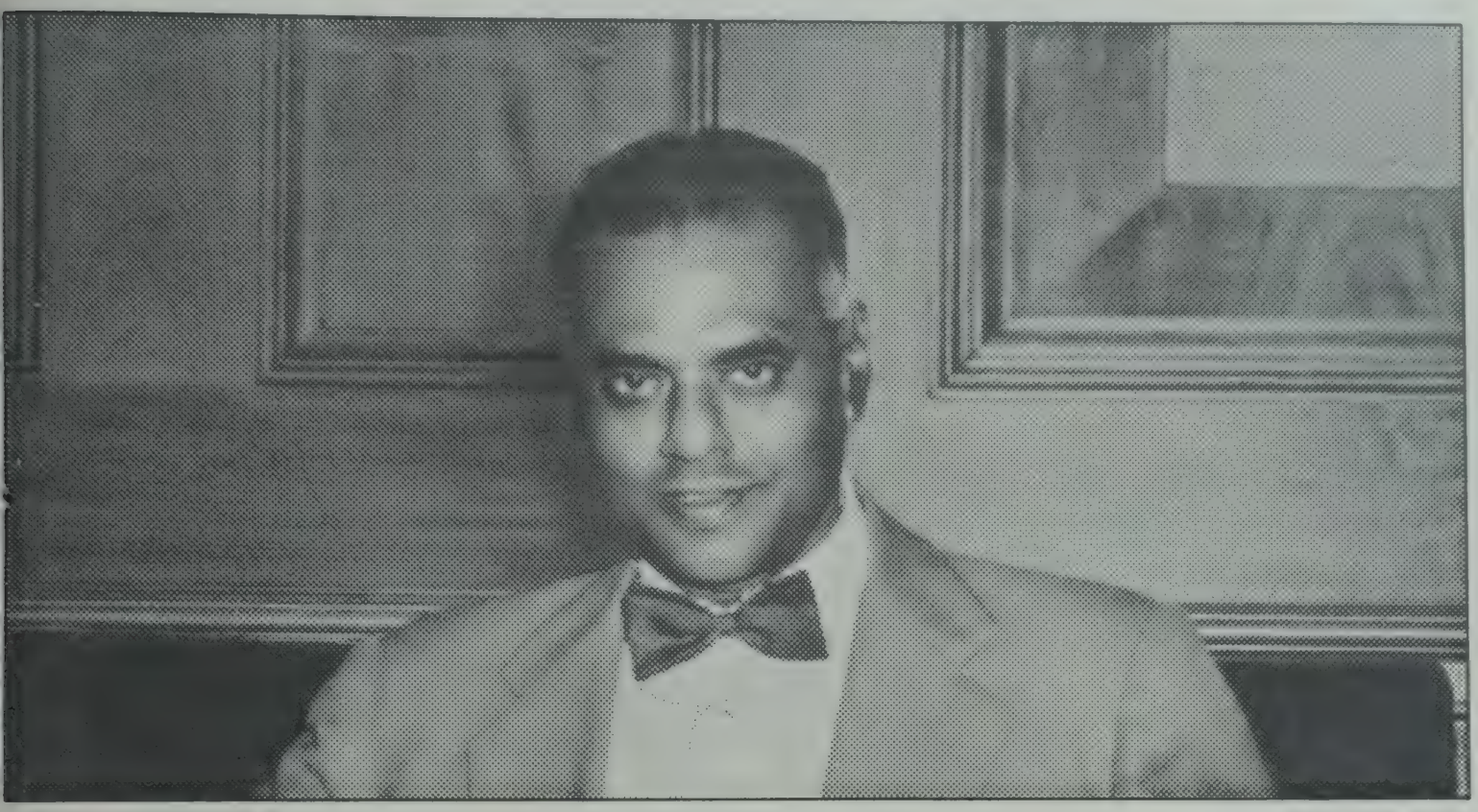
A Rs.720-crore conglomerate. With 29 companies. Including Bimetal Bearings, Addison & Co., India Pistons, TAFE, A Batteries, T. Stanes & Co., Shardlow I



Simpson & Co. Ltd
Madras

AN AMALGAMATIONS GROUP MEMBER

who saw tomorrow yesterday.



S. Anantharamakrishnan (1905-1964)

Amalgamations Repco, Addison Paints & Chemicals, Indiapistons -Repco, L M Van Moppes, Stanes Amalgamated Estates, Wallace Cartwright, The United Nilgiri Tea Estates ... the list goes on.

And a product portfolio ranging from diesel engines, tractors, diamond tools and cutting tools to piston assemblies, crankshafts and clutch products. And non-manufacturing interests ranging from clearing and forwarding, hire-purchase/ leasing and tyre retreading to vehicle distribution and tea estates.

Products exported to North America, Europe, Australia and the USSR, years before export promotion became a national imperative.

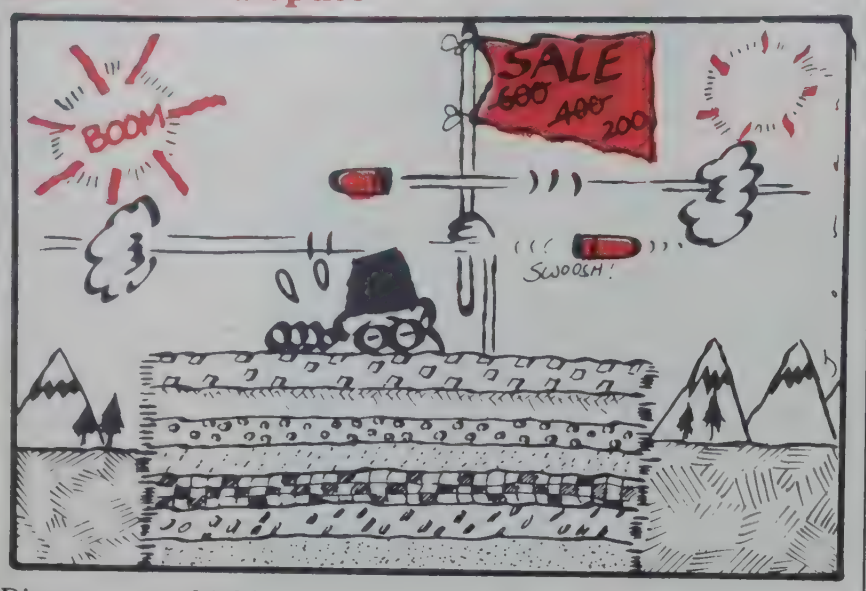
A vision come true. And yet growing. For how can something static be forged on a dynamic anvil?

To be a leader of industry is remarkable. But to be a leader of men ... that is a reward immeasurable in words.

AMALGAMATIONS CELEBRATES SIMPSONS 150 YEARS 1840-1990

The spirit of enduring enterprise

Benefit of "dispute"



Discount, as a highly successful marketing strategy, never fails to catch the attention of the window shopper and occasions for discount are many. Come Diwali, Christmas, Dassera or New Year and hoardings marked 'Sale' are everywhere.

However, with the economy on the brink and tourism on the wane, Jammu and Kashmir traders do not share the same privilege. But, although there is no occasion to celebrate here discount still rules the roost. One local shawl dealer from Katua quite effectively used the same strategy:

Price Rs.600
Kashmiri Dispute Rs.200
New price Rs.400

I read this price list on 28 August 1990.

ARUN JALALI
New Delhi

Shapes count too!

The postal authorities in general are usually finicky about regulations. But often it so happens that one post office may use a rule unacceptable to another.

Those who purchase National Savings Certificates (NSCs) should especially beware. Last month when a man went to encash his NSC purchased from the head post office, the post master in the local office pointed out that it could not be done as a round stamp was used instead of an oblong one on the identity card. He was therefore told to obtain payment from the head post office itself. The man later discovered that there were instructions specifying this.

So now,along with the amount and the name proper, the stamp will also have to be verified.

AMOD A. KUMBHOJKAR
Sangli

Justice at last!

Do kids grow better if they consume Vijaya ghee? Is Prudent the only toothpast that gives 'triple protection and does Surf wash the whitest? Surely not. But tha precisely what the advertisements for these products claim.

These overstatements ca up for scrutiny at a recent seminar on 'Self Regulation Advertising: Risk or Responsibility?' Representatives of the advertising fraternity as wel as consumer groups were present.

Though the soul-searchin bordered on the sanctimonious, the very fact that it took place at all should be heartening news for the Indian consumer. As justice Lentin, now presiden of the Consumer Guidance Society of India, pointed out "An indifferent product can be made acceptable by vigorous advertising."

In the name of creative licence, advertisers get away with half truths, or taking po shots at competitors. Liquor advertisers stick to the law but break its spirit when the advertise in the guise of othe products. Rather than quibbling over semantics, advertising professionals need to adhere in the true sense to their self imposed code of conduct.

NAK
Bombay

US purloins Ganesh!

India seems to be losing out to the West in yet another area. Until now India was sending relics and pictures of Indian gods all over the world. But Western Union Corporation of New Jersey, USA, now sends sophisticated pictures of Lord Ganesh over the telex, to this country.

"Dear Telex Subscriber," reads their brochure,

"Western Union is pleased to offer you six all-new Ganesh festival graphics (greetings) this year on 'update service' via telex. The procedure is as outlined below:-

Telex USA 472222 EG 23472222 + you will receive the A/B wu update svc. Wait for the prompt.. enter code or category. Now type your code, EG 5078.

A picture of Lord Ganesh (seated) will print on your Telex. At the end of the



printout you will again receive 'enter code'. You may type another code or disconnect in the normal manner.

Following graphics greetings are available :

S078-Ganesh seated cross-legged. S080-Bala Ganapati S081-Dancing Ganapati S082-Ganesh with five trunks S083-Lord Ganesh standing." And the ambiguous "S079-Lord Ganesh sitting down".

"For best effect," adds the letter "view carbon copy from a distance after printout. Remember to activate your type/memory so that you can record them and re-send to others.

Western Union Corp update service."

Y. DANDAPANI
Madras

Business India invites readers to send original unpublished contribution to this page. The snippets can be humorous, insightful, outrageous or simply informative. Each snippet must carry this coupon.

Rs. 50 paid for each published contribution.

A rapid change of spots

Guess who is the reigning star in the world of animal advertising today? Not the lion (of Videocon fame) although he is king of the jungle, nor the tiger (of Lipton fame), nor even the rhino (of Ceat fame).

The spotlight is on the leopard, who has, with great speed, been changing his advertising spots. One minute he's the hero of Metro Tyres, next we see him posing for Action shoes, and then he turns into a Kawasaki Bajaj RTZ bike. But that's not all; he can go hi-tech too for Zenith "super speed computers."

SUJIT J.
Bombay

Plastic surgery

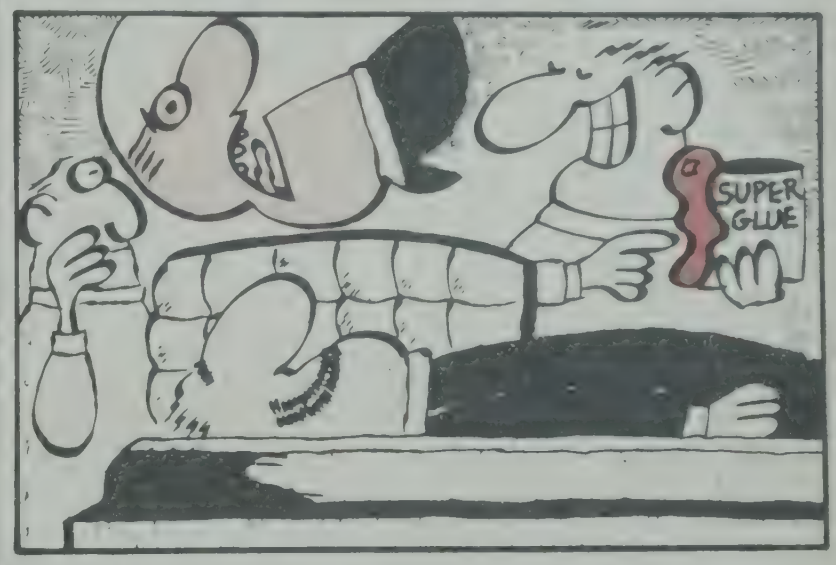


A little dab here, a flourish of the sickle, a hammer put to good use and some minor 'restructuring' to top it off; and what have we? Mikhail Gorbachev gone capitalist with a vengeance, or is it a clever artist at work. The credit for this bizarre work of art, known as *'the transmogrification of democracy', Mikhail George Gorbushsky*, goes to Joost Veerkamp of Cityboek Productions, Amsterdam.

G.E.
Bombay

Instant birth control

Cyanoacrylate adhesives were discovered in the early fifties when scientists at Eastman Chemical (a Kodak company) in the US were measuring the refractive index of a chemical. The two prisms used for the measurement could not be separated, because of the adhesive.



Different types of cyanoacrylate adhesives are now available and they are used in households as well as in industrial applications because of their exceptionally strong bond structure. Sold under the brand name of super glue, instant adhesive, crazy glue etc, they are used by funeral parlours abroad to seal the lips and nasal cavities of dead persons.

They have also found application in surgery for the 'suturing' of skin, closure of wounds, gum sealing and plastic surgery. But yet another novel use has been found which should interest our family planning authorities. Xian Medical University in the People's Republic of China has successfully developed a five-minute non-surgical technique to sterilize women by sealing the oviduct with cyanoacrylate adhesive.

MANILAL J. SAVLA
Baroda

Games the public sector plays

Who says public sector organisations always see eye to eye? If the experience of the Maharashtra State Electricity Board (MSEB) on the one hand and a few banks on the other is anything to go by, it is quite evident that sibling rivalry is not restricted to human beings alone.

A few months ago, in Thane, a prosperous industrial-cum-residential township on the outskirts of Bombay, the MSEB appointed half a dozen branches of noted banks like Syndicate Bank and Canara Bank as bill collection centres. All went well for a few months till the banks asked the MSEB for their "service charge". When it was not forthcoming, the banks promptly called off the arrangement. Not to be outdone, MSEB has now appointed a few young men in important housing complexes like Vrindavan and Laxman Nagar as its bill collectors. Their gain; a "commission" of 30 paisa per bill — exactly what the banks were being paid. But will the MSEB play hookey with the youths as well? Watch this space for developments.

B. RIMA
Naupada

Waiting for the word

The public sector CMC Ltd is still waiting to realise its dream of being the first public sector company in the capital market. Although a decision was taken by the Union cabinet in July to increase its equity from Rs.15 crore to Rs.35 crore, official intimation has yet to come.

Following the request for increased equity by CMC, the government had indicated its inability to invest the entire amount. The cabinet had said at the time that it would put up 60 per cent of the additional Rs.20 crore required, if CMC approached the capital market for the balance. Surprisingly, though the DoE was informed about the government's decision late last month it never got around to telling CMC about it.

Thus CMC is still awaiting official clearance to raise money from the capital market for its globalisation programme. Under the programme, it proposes to take over a US-based software company for increased access to the burgeoning software market in that country. Meanwhile, another public sector company, the giant Indian Petrochemicals Corporation, is believed to be planning to offer 20 per cent of its equity to the public.

Cutting loose

The high profile president of J.K. Synthetics Ltd, F.C. Rustagi, is all set to launch an investment consultancy firm. with J.C. Varshney, ex-chairman of Punjab National Bank. Rustagi's move comes close on the heels of a rumour about a major reorganisation launched by the Gaur Hari Singhania group.

During the last month, there has been hectic activity at J.K. for the reorganisation and division of assets between Kanpur-based chairman Gaur Hari, and Delhi-based vice-chairman Govind Hari Singhania. Rustagi is seen as being closer to Govind Hari, and after his departure, Gaur Hari may put a man of his choice in the president's seat.

The new guard

The core management team at ITC's head office at Calcutta is undergoing a major reorganisation. The present chairman, Jagdish Narain Sapru, is due to retire by the end of this year. K.L. Chugh, vice-chairman, will be ITC's next chairman. J. Narayan, deputy chairman and the present head of the tobacco division, is moving over to a newly formed international business division which will look after ITC's entire exports (Rs.146 crore in 1989-90). Feroze Vevaina, presently looking after ITC's growing agribusiness division and diversifications, will become the head of finance after D.P. Barua retires in February next year.

Rama Petro on the block?

Is Rama Petrochemicals Ltd, the Bombay-based flagship company of the Rama group, up for sale? Yes. If the price is right. Bombay Dyeing, the Rs.400-crore textile and DMT giant, is believed to be interested in the company which is right next door at Patalganga in Maharashtra.

Methanol, Rama Petrochemicals' sole product, is a key input for DMT. At present, Bombay Dyeing consumes about 27,000 tonnes of methanol, equivalent to half of Rama's production. But the former is now planning to double its DMT capacity to 120,000 tonnes and will therefore need the equivalent of Rama's entire methanol production.



Wadia: eyeing Rama Petro?

Nusli Wadia, chairman of Bombay Dyeing, is believed to have offered Rs.80 per equity share of Rs.10, against the present market price of Rs.50. But the Ramsinghanis of Rama Petro are reportedly asking for Rs.100 a share.

In the meanwhile, as negotiations p gress, Rama's scrip is moving fast in stockmarket as interested parties mop available stock.

Quiet deal

The New Ahmedabad Advance Mills finally changed hands. The Bombay-ba Phulchand Exports Ltd, a large gr (Rs.60 crore) involved in exports and ports, has bought over 46 per cent of company's equity, earlier held by Tatas. The deal was concluded at an un closed price last week.

Earlier, the company was cal Ahmedabad Advance Mills. In 1988, it bifurcated into two separate compan The steel division remained under T management and was converted int new company named Tata Metals Strips Ltd. The textile division was named New Ahmedabad Advance Mil

The Agarwals of the Phulchand gr are also into textile exports and hope utilise the acquired company for prod ing yarns and fabrics for their expo Meanwhile, the long ailing company is ported to have already started maki profits for the last several months.

Father, son and licence

Double standards seem to be as muc characteristic of the National Front g ernment as they were of the last one. Ev as chemicals and petrochemicals minis M.S. Gurupadaswamy puts the fear of G into the country's pharmaceutical indu try, his son M.G. Prakash is busy prom ing a drug firm in Bangalore. T company, named Genetic Scienc (India) Pvt Ltd, proposes to act as a tra ing agency for human interferon (an an viral medicine) and has imported abo 9,000 vials worth Rs.54 lakh from American company called National Ge Sciences, Inc.

Interestingly, Prakash's firm was issu an import licence within 13 days of ma ing an application (between 23 March a 6 April). This is quite a record becau most organisations have to wait f months for their import licences. Yet, wi a paid-up capital of only about Rs.96,0 (with four promoters contributi Rs.24,000 each), it is obviously not sophi ticated enough to handle a hi-tech pro uct like interferon.

Say ‘good morning’ in Frankfurt.
Have a good day anywhere in Europe.



On Lufthansa you arrive in Frankfurt early in the morning. At just the right time to begin your day. Or catch your connecting flight to any major city in Europe or beyond. It’s all part of Lufthansa’s commitment to help you meet your growing business commitments. Swiftly, relaxed and on time.

TSA-D/LH/1889

Lufthansa

In the Gulf, we've to take a little peppe while having a lot of wire rods

Not only in the Gulf, in the USA in Australia, in Japan and in N Zealand, in Bangladesh, in China a West Germany and in many ot countries, Tata Steel, today, exporting a wide range of products

The objectives are evidently cle To ensure foreign exchange earnin which are a national priority, and establish a long-term quality lead ship for the Company and the coun in the global market.

In just six years, Tata Steel (wit turnover of Rs 146 crore) has beco one of the country's largest exporte



persuaded people

Its range not only covers engineering goods and raw materials but also commodities such as black pepper, coffee and black tiger shrimps. In spite of its large imports of equipment and raw materials for the on-going modernisation drive, Tata Steel, today, is a nett exporter. For 1985-86, the Company won the prestigious National Award for Exports.

Today, Tata Steel is spreading all its pioneering expertise and experience across the seas to build a long term base for India—all over the world.

Tata Steel Exports:

Steel and Steel-based engineering products	- Wire rods, re-inforcing bars, structurals, tubes, wires, bars, cranes, rolls, bearings, etc.
Raw Materials	- Chrome ore & concentrates, manganese ore, ferro-manganese, ferro-chrome, charge chrome, refractories, etc.
Commodities	- Black pepper, coffee, black tiger shrimps.



Discussions that are opening up new markets in the Gulf

TATA STEEL

DECADE OF EXPORTS

1550 2000

TATA STEEL

The first and still the foremos



Ashok and Radisson offer you new standards of world class hospitality at Mysore

Radisson Hotels Corporation with its dynamism, its philosophy 'Yes I can' is the fastest growing hospitality group in the world, with hotels at 240 locations.

Ashok now joins hands with Radisson to bring you the finest international hospitality at Mysore and three other places in the country. With a new work culture, a new ethos to ensure even greater consumer satisfaction.

Other Ashok Radisson Hotels: Ashok Hotel, New Delhi, an affiliate of Radisson Hotels Corporation; Ashok Radisson Hotel, Bangalore; Ashok Radisson Beach Resort, Kovalam.



Ashok Radisson
Lalitha Palace Hotel
Mysore

Mysore-570011, Tel.: 26316, 27650, 27771
Cables: TOURISM Telex: 0846-217 LMPH IN

VISIT INDIA
TOURISM YEAR 1991

AKSHARA/ITDC 210

I N D I A ' S H O S T T O T H E W O R L D

ECONOMY

Budget deficit lower

The finance minister Madhu Dandavate, said that the budget deficit at the end of first four months in the fiscal year 1990-91 was Rs 9,926 crore, as against Rs.11,390 crore last year.

He attributed the fall of Rs.1,500 crore in deficit to strict expenditure control. For the first time in many years, there was no cash outgo in the first batch of supplementary demands. The year-end deficit is projected at Rs.8,931 crore, overshooting the budget estimate of Rs.7,206 crore. However, even this projection could go awry due to the Gulf crisis.

Refund money diverted

The Union government has decided to stall the refund of excess customs and Central excise duties to manufacturers. This refund money will be used for public welfare schemes. This decision is based on the representations received by the government from citizens claiming that since the tax was actually borne by consumers, its refund, if due, should be utilised for public welfare schemes.

Targets revised

The production targets for coal, power, steel and the railways are likely to be revised downward. This implies that the 5.5 per cent growth rate in GDP is likely to fall short in the very first year of the Eighth Plan. Moreover the performance of these industries has been much below the targeted figures and this trend is expected to continue for the next quarter. Thus, going by their performance, the concerned ministries have been asked to work out more realistic targets for the first year of the Eighth Plan.

Export proposal irks industry

The proposal to export 6.5 million tonnes of iron ore from Bailadilla to Japan has been cleared by the government in principle. This has intrigued the industry which insists that this export commitment of iron ore with a 65 per cent ferrous content is likely to starve the Vizag steel plant and sponge iron manufacturers in the country.

Job reservation

The government has decided to consider reservation of 5 to 10 per cent of Central government jobs for the economically weaker sections on the criterion of their economic standard. The government has, however, ruled out dilution of the Mandal committee report under which 27 per cent posts are to be filled by backward classes.

Import concessions

The proposal for import of capital goods at a concessional duty for registered exporters, will now be applicable also to the mining and mineral sector. These sectors will also be permitted to utilise 5 per cent of their net foreign exchange earnings for import of machinery at the normal duty. According to the government, these measures are so designed as to help the mineral industry to cut costs and, subsequently, become more competitive in the international market.







CORPORATE

Kirloskars to expand

The Kirloskar group has received government permission to expand its Satara plant for the production of hermetically sealed compressors. The scheme, involving an investment of Rs. 18.25 crore, will increase the production of the compressors to 500,000 pieces from the present 100,000. The company will raise 50 per cent of the outlay by issuing debentures to the public the rest will come from internal accruals and borrowings from financial institutions.

Banks to revive Genelec

The banks financing Genelec have reversed their decision and agreed to finance a revival package for the company, subject to Shaw Wallace's participation in it. They have also agreed to approach the RBI to lift the ban on the inter-company transfer of funds in the Shaw Wallace group and will also request the BIFR to declare Genelec sick.

Sterlite to set up EOU

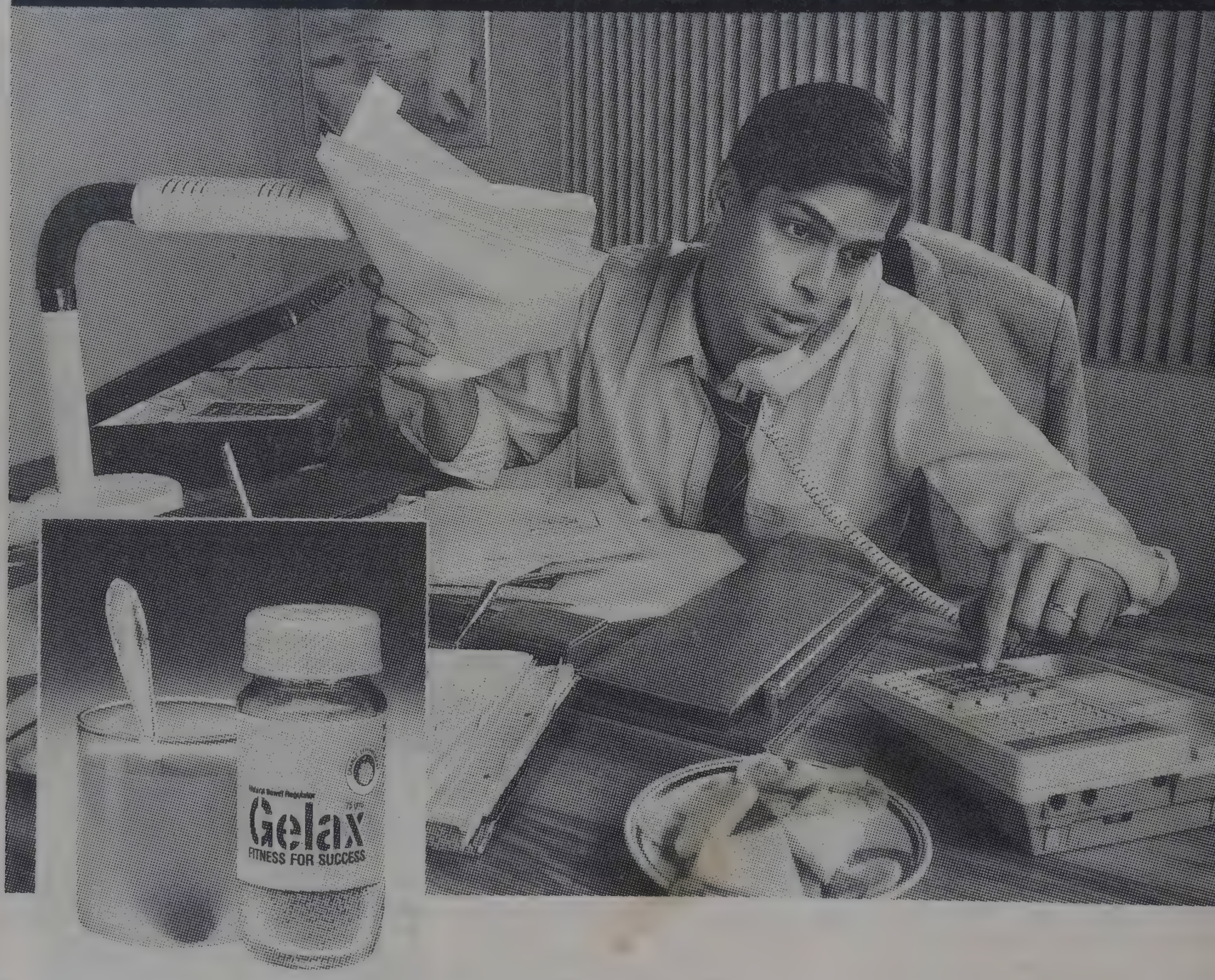
Sterlite Industries is setting up a Rs.25 crore export oriented unit for exporting of cotton yarn. The unit, to be located in Nasik or Kolhapur, will have an installed capacity of 25,000 spindles. About 60 per cent of the machinery will be imported from Switzerland.

Oswals to set up power plant

The Oswal group, headed by Abhey Oswal, plans to set up a 260

Deadlines. Targets. A roller-coaster ride through countless meetings everyday. That's life on the fast track. A reality all must l
with. But the very body that helps you achieve your goals tends to be badly neglected. • Irregular eating habits, a rich diet and
sedentry life-style are some of the by-products of the fast life. As a result, the digestive system is the first casualty. Acidi
indigestion and constipation being the natural expressions of an aggravated system. • Many people unwisely opt for the quick a
temporary relief of popular laxatives. Not realising they can be harmful to the body, besides being habit-forming. • Reach for t
saviour **Gelax.** It's a gentle and natural laxative made from an Ayurvedic herb — Psyllium. **Gelax** is a dietary fibre supplem
that's essential for good health. For this very reason, Psyllium products like **Gelax** are widely popular in Europe and the U.S.A.

Acidity: every ambitious person's unwanted reward



So what if you're busy, there's no reason why you should stay with digestive disorders. Just take two tea-spoonfuls of **Gelax** i
water at bed time and get set for a busy workday ahead. • **Gelax** comes in delicious Orange, Lime and Mango flavours in 75 gms
bottles and in Executive Packs of 25 sachets. • Available at all chemists and general stores.

Gelax: Fitness for success.

Manufactured by: u-for **Unjha Formulations** (Ayurvedic Division), Khali Char Rasta, State Highway, Sidhpur (N. Guj.)-38415



megawatt power plant in Shahjahanpur. Oswal Agro Mills has signed a MoU with the Uttar Pradesh state electricity board for the Rs.250-crore project, to be commissioned in 1992. The Oswals' contribution will be Rs. 150 crore. The balance will be raised through an issue of non convertible debentures. The power plant will come up next to the group's fertiliser project on the HBJ pipeline.

IOC pipeline cleared

Indian Oil Corporation has got government approval for its proposed pipeline from Kandla in Gujarat to Bhatinda in Punjab. The 1,330-km long pipeline will be built at an estimated cost of Rs. 917.55 crore. The project is expected to be complete by May 1993.

Better air booking

The International Airport Authority of India is joining up with Sita Travels for starting the common user terminal (CUTE) system in international airports. Sita operates a telecom system for the international airlines, which will enable any airline to book passengers from any free counter at the terminals. Each counter will have terminals networked to the main airline office for immediate bookings.

NHPC share capital raised

The authorised share capital of NHPC is to be raised from Rs. 1,300 crore to Rs. 2,500 crore, making NHPC one of India's top ten public sector undertakings in terms of investment. During the Eighth Plan, NHPC will commission five projects to add 1,455 MW of power to the national grid.

ONGC fractionation unit

ONGC's gas fractionation plant at Uran, which will provide C2/C3 gas fractions to the Maharashtra Gas Cracker Complex at Nagothane has been commissioned. It will provide 450,000 tonnes of ethane/propane gases, based on which IPCL will start manufacturing LDPE by the end of September.



Leather industry down

Maharastra's leather industry has lost a lot of ground. Its share in the country's total exports of leather products has declined from 25 per cent a quarter century ago to 6 per cent in 1989-90.

Prakash Mathani, president of the Small Scale Leather Industries Association, attributes this sorry state of affairs to the "apathy" of the state government and its officers, and their "lethargic way of handling matters".

To improve the industry, Mathani suggests "proper treatment and encouragement in the form of a package of facilities from the government so that value added products could be manufactured and exported".

Drug industry's arrears

The drug industry owes Rs.175 crore under the Drugs Price Control Order (DPCO) 1973 to the government. According to M.S. Gurupadaswamy, Union petroleum and chemicals minister, the government is making all efforts to recover the money quickly. Stating that he will not wilt under pressure, Gurupadaswamy warned that if the money is not returned, the government will take the necessary legal steps.



INDUSTRY

No profiteering

The Bombay Sugar Merchants' Association has denied the allegation made by the sugar industry that the sugar trade had been reaping abnormal and excessive profits. The sugar industry's charge that the difference of Rs.2 per kg between the ex-mill and the retail prices was too high, and that the trade was pocketing a sizeable margin was baseless, claims Mohan Gurani, the Association's president.

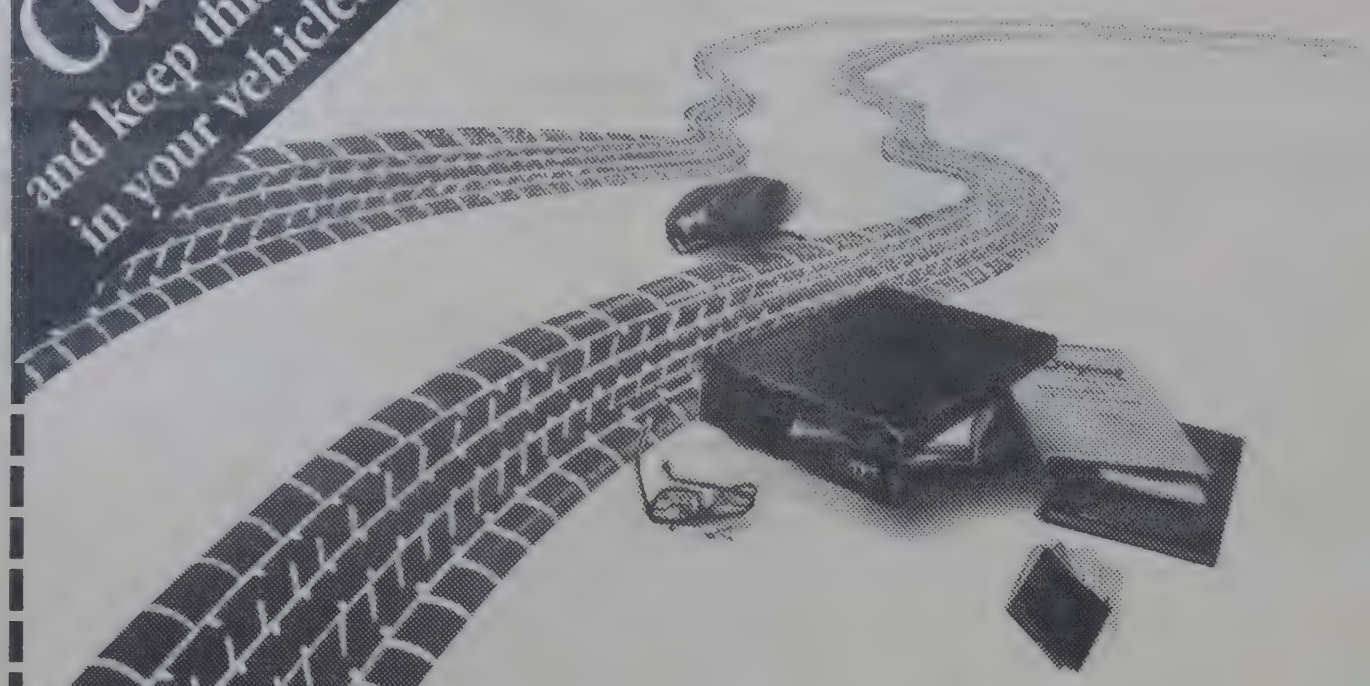
Such a vast difference was prevalent only in certain areas in Bombay owing to the demand for better quality sugar, for which the industry charges a higher price, he added.

Penicillin smuggling

Low priced, smuggled drugs flooding the market have forced many leading companies out of the Rs.200-crore market for penicillin-based broad spectrum bulk antibiotic drugs. The domestic price of penicillin is almost three times higher than the international price.

The companies that have opted out include Ranbaxy, Lyka Labs, Concorde (owned by Hoechst), Pharmachem, Nirlac Chemicals and Arbindo Pharma, all of which manufacture ampicillin and amoxycillin. The companies allege that several fly-by-night operators import these drugs on the

Cut and keep this ad in your vehicle.



You'll need it in case somebody is knocked down accidentally.

It can happen to the safest driver. As you are driving, suddenly, you knock down somebody. And the person is injured, sometimes fatally.

If a third party is injured, or property is damaged, do the following:-

- Though not obligatory under motor insurance, please help to move the injured person to a hospital for treatment.
- Inform the insurance company describing the nature of injury or damage.
- Please follow the advice of the insurance company. Do not promise any compensation to any third party who is involved in the accident without consulting the insurance company.
- In case of Police prosecution, seek legal counsel and keep the insurance company informed.
- If your paid driver is involved, please take down the particulars of his driving licence. Please see that the driver is available in future for investigation.
- If you receive any notice of claim from the third party, Motor Accident Claims Tribunal, or a Court of Law, intimate your insurance company immediately.
- Send all notices and summons you receive concerning the accident to the insurance company. The insurance company will attend to all of them on your behalf.

If your own vehicle is damaged, follow the procedures carefully for making a motor insurance claim.

Please help us to help you in getting the claims recovery faster.

File your claim right and it will be processed in the quickest possible time.

आपत्काले रक्षिष्यामि

GENERAL INSURANCE CORPORATION OF INDIA

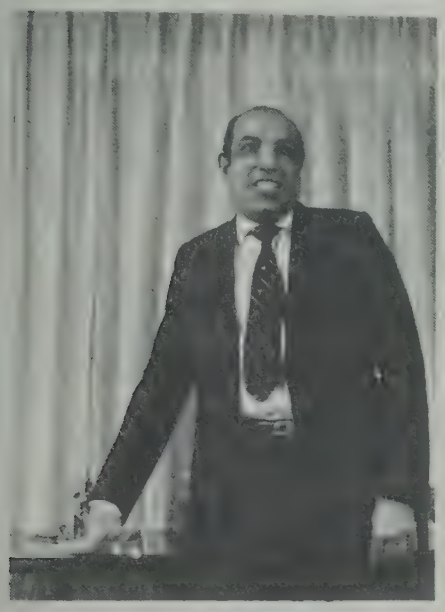
NATIONAL INSURANCE COMPANY LIMITED | THE NEW INDIA ASSURANCE COMPANY LIMITED | THE ORIENTAL INSURANCE COMPANY LIMITED | UNITED INDIA INSURANCE COMPANY LIMITED

R K SWAMY/GIC/168 B

condition that they would be re-exported. However, when the time comes for re-exporting, they express inability to do so, due to which the drugs have to sold in the domestic market.

Panel to detect sickness

The Federation of Indian Chambers of Commerce and Industry has mooted a standing committee for the early detection and prevention of industrial sick-



ness. The board will be composed of representatives from financial institutions, banks and industry.

The suggestion was put forward to M.N. Goiporia, chairman and managing director of State Bank of India, and other institutional members at a select meeting. The banks, while agreeing in principle to the idea, will now put it before the Indian Banks Association for approval.

Inputs under OGL

New units in the small scale sector will be eligible to import, under open general licence, raw materials, components and consumables, according to an import trade control notice.

Imports will be subject to the condition that the units furnish a bond with a bank guarantee for a value equal to that of the goods imported. Besides, a certificate has to be forwarded to the licensing authority from the director of industries concerned that the units have properly utilised the imported material.

Industrial climate dull

The Indian investment climate had become dull in the first half of the year.The number of industrial licences issued between January to June slumped by 19.5 per cent and letters of intent issued also came down by 15.4 per cent over that in the corresponding period last year.

The same trend was observed in the financial assistance granted by non-banking financial intermediaries. Between April and July this year the assistance granted by financial institutions fell by Rs.650 crore, or 19 per cent over that in the corresponding period last year.

Higher floor price for rubber

Small rubber growers in Kerala want the present floor price of rubber (Rs.17.85 fixed three years ago) to be raised to Rs 24. Representatives of the growers will meet the prime minister to put forward this demand.

According to the Kerala State Co-operative Rubber Marketing Federation, rubber prices, which were ruling between Rs.22 and Rs.25 a kg from June to August last year, crashed to Rs 17.65 a fortnight ago. The present price is Rs 19.

This has made rubber cultivation quite uneconomical for small growers who account for nearly 80 per cent of the annual production.

Aid for textile units

Following a hike in interest rates by financial institutions, from 11.5 to 14 per cent, the Union finance ministry is considering the possibility of providing special consideration to the jute and textile industries for their modernisation plans. The ministry is apparently worried about the impact of the rate hike on efforts to modernise the industries. It fears a fall in loan applications from textile mills for modernisation.

LABOUR

Work-to-rule stir deferred

The Junior Telecom Officers Association (JTOA) and the Telecommunication Engineering Services Association (TESA) have decided to defer their work-to-rule agitation on an assurance from the telecommunication ministry that their demands regarding promotional opportunities would be met soon. In a meeting held between the ministry and two union representatives, it was decided that the agitation would be put off giving the government more time to implement an agreement arrived at in May 1990. However, the union leaders made it clear that any undue delay in the implementation would not be tolerated.



Bank stir threat

Five central trade union bodies, the All India Bank Officers Confederation, the Bank Employees' Federation of India, the National Confederation of Bank Employees, the All India Insurance Employees Association and the All India Reserve Bank Employees Association — have threatened to disrupt operations in banks and financial institutions if the government fail to treat pension as a retirement benefit.

Higher bonus for tea pickers

Over 200,000 workers employed in 246 tea estates in West Bengal are to get bonus for 1989-90 at an enhanced rate following an agreement between the consultative committee of plantation associations and 23 different unions controlling these workers. About 184 tea estates out of a total 246 will pay bonus at the rate of 20 per cent.

Peico employees apprehensive

Representatives of the Peico Workers Union and Philips workers led by the CITU leader Manoranjan Roy met the West Bengal chief minister, Jyoti Basu, and expressed apprehension that the management of Peico might gradually close down the manufacture of audio components at the company's Salt Lake factory and switch over the entire operation to the company's Pimpri factory in Maharashtra.

The chief minister is believed to have assured them that he would take up the matter with the Peico management as well as the Union government. The suspension of production would render about 350 people jobless.

Strike call by cement workers

The Indian National Cement Workers Federation has served a strike notice on the management of ACC Ltd. M.N. Trivedi, president of the federation said that a notice dated 23 August had been served on the management, stating that the workers would go on an indefinite strike any day after 14 days of the receipt of the notice if they were not given 20 per cent bonus for 1989-90. The workers feel that they should be given bonus in view of their high level of productivity and the prosperity achieved by the company.

RBI workers' strike threat

The Reserve Bank Employees Association has threatened to go on a strike to force the RBI management to withdraw the dismissal orders served on three Bangalore-based employees who are office-bearers of the association. More than 100 employees staged a sit-in at the main gate of the RBI's office in Delhi, threatening to intensify the agitation, including calling for a strike.

Minister's plea to AASU

Union minister for petroleum and chemicals M.S. Gurupadaswamy has urged the All Assam Students Union (AASU) to call off the bandh at ONGC installations in Assam, which virtually brought the corporation's operation to a halt. The bandh which started on 7 August has led to the closure of most of ONGC's production and drilling activities.

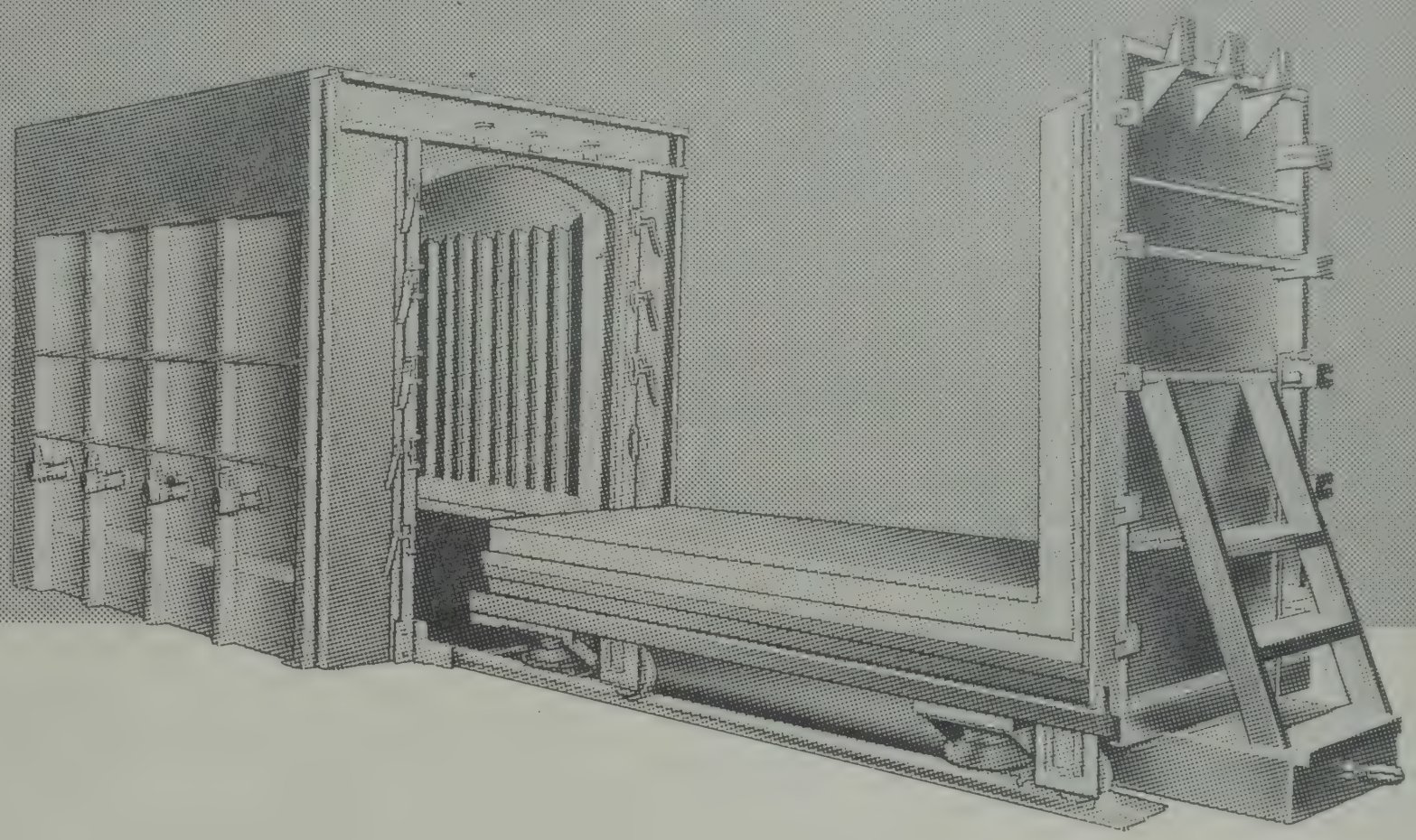
Referring to the bandh, the minister said that the agitators were not only threatening and manhandling ONGC personnel and preventing them from working, but were also in some cases tampering with the oil and gas wells, thus causing a safety hazard.

DIARY

DATE	SUBJECT	ORGANISER	VENUE
3 to 5 October	**Power conservation in industries**	National Productivity Council, Novelty Chambers, Grant Road, Bombay-400 007 Tel: 371322	Hotel SeaRock, Bombay
3 to 5 October	**Employment and productivity — meeting challenges through people, technology and change**	Management Science Association, Department of Commerce and Management Studies, University of Calicut Tel: (0495) 80-297	Tagore Centinary Hall, Kozhikode
6 October	**Improving purchasing performance**	Indian Institute of Materials Management, 205A, Arun Chambers, Tardeo Road, Bombay-400 034 Tel: 4948854	Centaur Hotel, Airport, Bombay
6 to 12 October	**Chemtech '90 — International exhibition and conference**	Chemtech Secretariat, Taj Building, 3rd floor, 210, Dr. D.N. Road, Bombay-400 001 Tel: 2042044	Pragati Maidan, New Delhi
7 to 9 October	**Second round-table of finance directors**	International Management Institute, B-31/B, Kailash Colony, New Delhi-110 048 Tel: 6439080	The Oberoi, New Delhi
8 to 11 October	**15th International air cargo forum**	Steve Schmitmeyer Forum Secretary, SAE, 400 Commonwealth Drive, Warrendale, PA 15096-0001, USA Tel: 412-776-4841	Taj Palace, New Delhi
9 to 11 October	**Traditional water harvesting systems of India**	Centre for Science and Environment, 807, Vishal Bhawan, 95 Nehru Place, New Delhi-110 019 Tel: 6433394	New Delhi
10 to 13 October	**'Leadership strategies' for meeting the 'total quality challenge'**	Quality Management International 107/55, Nehru Place, New Delhi-110 019 Tel: 6468537	Palampur, HP
10 to 13 October	**Making it in management — a programme for women executives**	Xavier Institute of Management, Bhubaneswar-751013 Tel: 52446	Bangalore
11, 12 October	**Emerging trends in Database technology**	Association for Computing Machinery, New Delhi Chapter, CMC Ltd, 47, Basant Lok, Vasant Vihar, New Delhi-110 057.	Hotel Taj Palace, New Delhi

If you're looking for cost-effective and thermally efficient furnaces ...

ask Precimax



Greaves Cotton, in its role as a marketing organisation, has brought to Indian industry, some of the finest equipment and machinery. Both from home and abroad.

And now Greaves market through its nationwide network, the rugged thermally efficient Precimax furnaces.

Precimax means high quality furnaces – a result of sound concept and effective engineering, coupled with reliable manufacturing methods and rigid testing procedures.

Precimax furnaces from Greaves meet exacting standards, yours and ours. So that you have the twin advantages of Precimax experience and expertise and Greaves sales and service support.

Our range:

- Galvanizing Furnaces
- Bell Furnaces
- Pit Furnaces
- Roller Hearth Furnaces
- Bogie Hearth Furnaces
- Gar Bottom Kilns
- Car Tunnel Kilns
- Pusher Furnaces
- Continuous Lines
- Rotary Hearth Furnaces
- Chamber Furnaces
- Ovens
- Accessories

Plus

- Other furnaces for a range of sophisticated applications

Manufactured by:

PRECIMAX

PRECIMAX ENGINEERS PVT. LTD.

6th Floor. 17, Tardeo Aircon Market Building, Bombay 400 034
Phones: 494 2326 • 494 4639

Sales Representatives

SOLD & SERVICED BY GREAVES

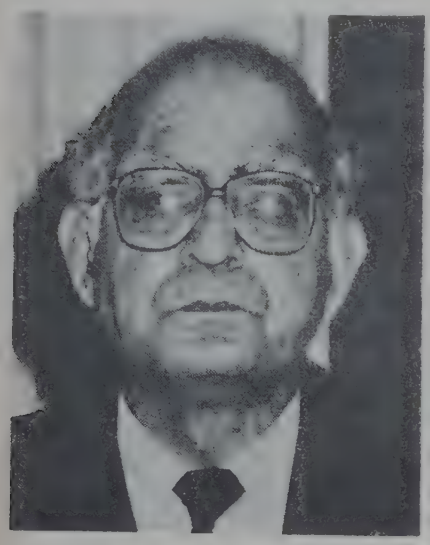
GREAVES COTTON & CO. LTD.

Bombay 400 023.

V. SAGAR

Two of the fastest trains in India — the Shatabdi and Rajdhani expresses — run on bearings manufactured by FAG Precision Bearings Ltd. And V. Sagar, chairman of the company, is obviously proud of the fact: "It shows that we manufacture quality bearings." Sagar projects a turnover of Rs.90 crore for FAG Precision by 1994-95.

Sagar is, however, disappointed that India's bearings industry is not in a position to sell its products in the international



market. "We are a high-cost, low-quality economy which makes our exports uncompetitive," he says. This is also the reason, he says, that cheap but better quality bearings smuggled into India find a ready market here.

Despite these difficulties, Sagar is looking at the export market for sales. Discussions are currently on with the company's West German collaborators, the FAG Group, to chalk up a plan of action.

SATISH NADKAR

This is probably the first instance of privatisation of a public sector unit in India. Gujarat Lease Finance Ltd (GLFL) — an Ahmedabad-based leasing company owned wholly by the Gujarat government — is offering half its equity to the public.

Says managing director Satish Nadkar, "We are not going to



the public for money. We want people at large to share our good fortune." Nadkar, an MBA from IIM Ahmedabad, has headed the company since its inception and is the main architect of the 'privatisation'.

After the public issue, which will double GLFL's equity to Rs.7 crore, and consequently its business, Nadkar hopes that this relatively unknown company will emerge as a leader in its industry segment.

M.C. SATYANARAYANA

"Smaller farm holdings will increase the demand for tractors with lower horse power by 12 per cent in the next 2 to 3 years," says M.C. Satyanarayana, managing director of Asian Tractors Ltd.

Asian Tractors is setting up a project to manufacture tractors of up to 25 horse power in technical collaboration with Kramerwerke of West Germany. Tractors of upto 18 HP are not only exempt from excise duty,



but also a 30 per cent government subsidy is available for buyers. "In view of these benefits, we will concentrate more on manufacturing such tractors," says Satyanarayana. The company plans to enter the capital market to finance this Rs.3.24-crore project.

P.K.IYENGAR

P.K. Iyengar, chairman of the Atomic Energy Commission and the secretary of the Department of Atomic Energy, is a scientist first and then a bureaucrat. "During the Eighth Plan period, the attempt will be to double the nuclear power availability in the country," he says. The heavy water natural uranium process used in Indian reactors, is also the most amenable to indigenisation.

In the Ninth Plan, the country could realistically hope to add 1,000 MW in nuclear power every year. "This is a cheap and pollution free alternative. And despite popular misconception, with proper control, radiation risks are minimal," says Iyengar.

DEEPAK SHOURIE

Unfazed by rampant piracy and poor reproduction — traditional ills of the Indian recorded music industry — a publishing giant has diversified into the music business. Living Media India Ltd — publisher of *India Today*, *Bombay*, *Computers Today*, etc, and producer of the *Newstrack* video magazine, has now launched Music Today. The first presentation consists of 16 one-hour cassettes devoted to Hindustani classical music.

Says Deepak Shourie, Living Media's group general manager, "I firmly believe that there is always a market for a good quality product," perhaps justifying the stiff Rs.45 the fledgling company is charging for each of its cassettes. In addition to music stores, the cassettes will be distributed door-to-door. "Our listeners will get the best in terms



of artistes, repertoire ar
nical quality," pr
Shourie.

R.C.K. GUPTA

UB Petroproducts Lt
Rs.81-crore joint ventu
ject between the UB g
Bangalore and Tamil Na
ernment has started co
cial production, 16 mont
the project work started
record for a petrochemi
ject of this size," claims
Gupta, managing directo
company.

The Madras-based pr
producing propylene
polyols and propylene
"All these are high value
substitution products
gross Rs.60 crore in sales
one year of operations
Gupta. Although the proj
completed in time, the
been a cost overrun o
crore. But Gupta is co
that next year (1991-9
company will earn enoug
ward its investors.



MADAN DHAVAN

"Increased consumer awareness and the autonomous status accorded to the food processing industry has led to an increased demand in specialised packaging," says Madan Dhavan, managing director of Sharp Industries. This Rs.9-crore company manufactures flexible packaging material.



"The takeover of Angel Plastic on 1 March 1990 comprises Sharp's diversification into multi-layer cast co-extrusion film," says Dhavan. The company is now planning to tap the capital market for expansion and diversification.

YOGESH KHOSLA

Castrol may soon have competition. Says Yogesh Khosla, director, operations, at Unique Oils India Ltd, "We will be hitting Castrol's GTNX grade of lubricating oils once we launch our own XLD (extra long drain) oil with technology from Ashland Oil Inc of the US." In addition, the company will also soon manufacture the world renowned TECTYL brand of rust preventives.

Khosla, an engineer by qualification, expects growth for lubricating oils to increase by 8 per cent every year. "By 2000 AD, we fear imports will reach 850,000 litres a year," he says. To part finance its expansion and diver-



sification activities at Tarapur, Maharashtra, the company proposes to make a rights issue of 840,000 equity shares of Rs.10 each for cash at par at a ratio of four shares for every ten shares held.

H.W. VERBEEK

"There has been a growing demand for export guarantees to India," says H.W. Verbeek, joint secretary to the ministry of economics, FRG. Verbeek is also chairman of the inter-minis-

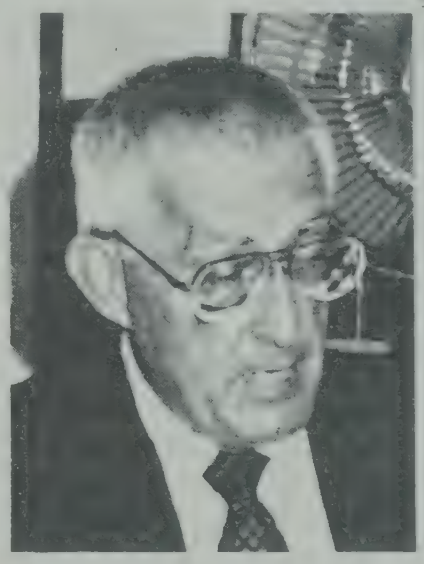


terial committee for the Hermes Insurance Scheme, FRG's export credit guarantee agency.

Though India imports substantial amounts from the FRG and is the largest importer of its manufacturing plants, German exporters are beginning to get nervous about our burgeoning foreign debt. And why not? With many countries having rescheduled their debts, many exporters have been left in the lurch. Only those covered by Hermes guarantees were paid in full. Thus, today, exporters have to take insurance cover from Hermes, irrespective of which country they export to. The loss, if any, is borne by the West German government.

KENNETH BURKE

"It's almost embarrassing to talk about the system that we are using," said Kenneth Burke, vice-president of Continental



Insurance, one of the 10 largest property and casualty insurance corporations in the US. Burke was talking at a press conference to announce that Tata Consultancy Services was developing a "producer billing system" which would give Continental tighter control over the collection of premiums and the payment of agent commissions. The $900,000 contract is the culmination of several years of contact between the US firm and Tata Consultancy. Burke says the Indian company got the order because it "deserved it".

THOMAS MEYER

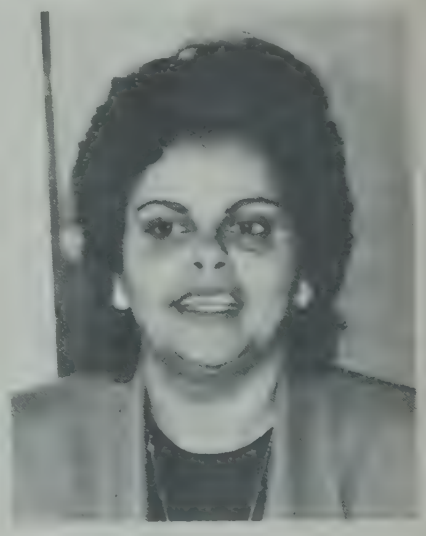
It took a lot of scouting before Barmag of West Germany found its perfect Indian match says Thomas Meyer, marketing manager of this manufacturer textile and plastics machinery. The company has just picked up a 10 per cent stake — worth Rs.1.20 crore — in the Coimbatore-based Lakshmi Synthetic Machinery Manufacturers Ltd which will make state-of-the-art spinning and texturising machines with Barmag technology.

The first of the machines should be ready by mid-1991. "We know we are talking to experts here," says Meyer of his Indian collaborators. The Lakshmi group is a pioneer in this field in India just as Bormag is in the FRG. That probably explains the 'perfect match'.

SANDRA ROYAN

"The growing enthusiasm of NRIs in the UAE for investment in India is evident from the number of enquiries we receive at the Dubai World Trade Centre (DWTC) every day," says Sandra Royan, manager in charge of exhibitions at the DWTC. "Hence the decision to hold an exhibition of finance and investment possibilities in India."

An NRI herself, Royan has been in the Gulf region for a decade now. She was in Bombay re-

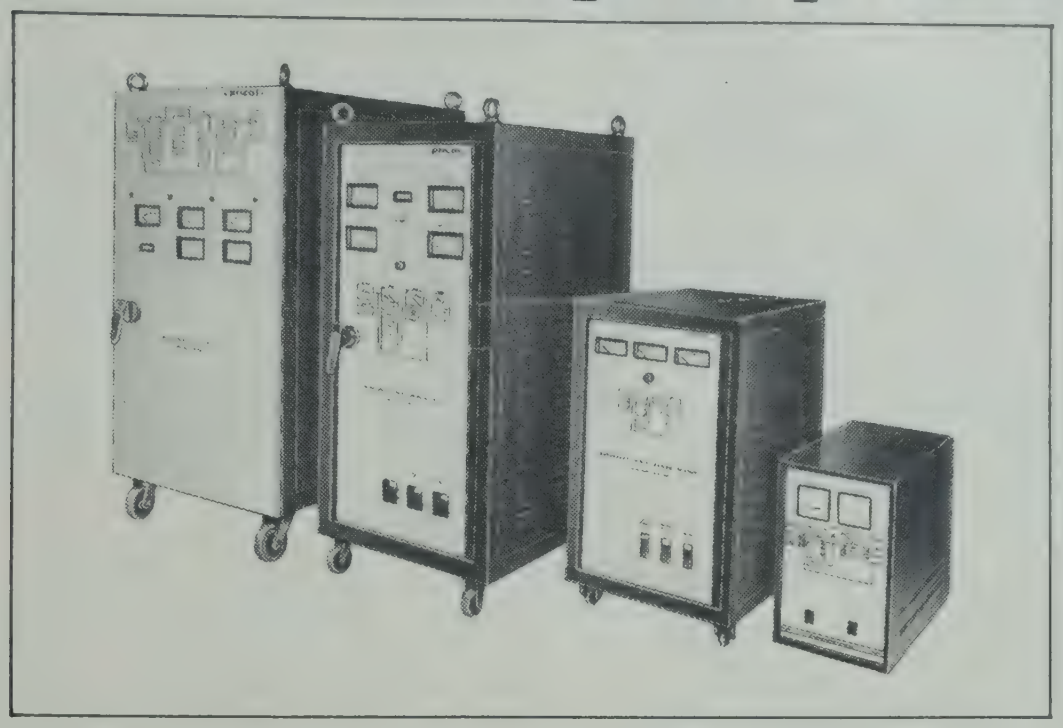


cently during a country wide tour to explain the purpose of the exhibition to potential exhibitors. There are 450,000 Indians in the Gulf, many of whom are earning high tax-free salaries and are looking for investment opportunities in India. Thus, DWTC's exhibition, which will be held at its premises in Dubai in late November this year, is assured of success.

Even life-support systems depend on power to save lives.



Introducing the dependable, uninterruptable power supply



- True on-line Sine Wave UPS
- 3-in-1 system regulates, filters & assures absolute protection & continuous power
- Technology from Sun Moon Star Group, Taiwan, leaders in power electronics
- Made by Pricol, leaders in automotive instruments, with 15 years of engineering excellence in instruments, electronics and machine tools

Your primary need is an uninterrupted power supply. But spikes, transients, RF & EM interference, Power Brownouts & Blackouts can send your electronic system up in smoke. Quite literally.

That's why you need a True on-line UPS, that buffers your system and feeds only clean, stabilized and uninterrupted power.
The Pricol UPS.

Outstanding features

- State-of-the-art power modules.
- Crystal Stabilised Frequency output regulated to ± 1%.
- Excellent load tracking.
- Isolation from all Power Line disturbances.
- Custom designed thermal circuit.
- Extensive alarms and indicators.
- Progressive Walk-in.
- Excellent regulation.
- High power charger.
- Extended back-up times.

Choose a UPS that fits your needs

4 models:
500 VA, 1 KVA, 3 KVA & 5 KVA

Ideally suited for:

- COMPUTER SYSTEMS & NETWORKS
- MEDICAL EQUIPMENT & SYSTEMS
- TELECOM SYSTEMS
- TRAFFIC CONTROL
- SURVEILLANCE SYSTEMS

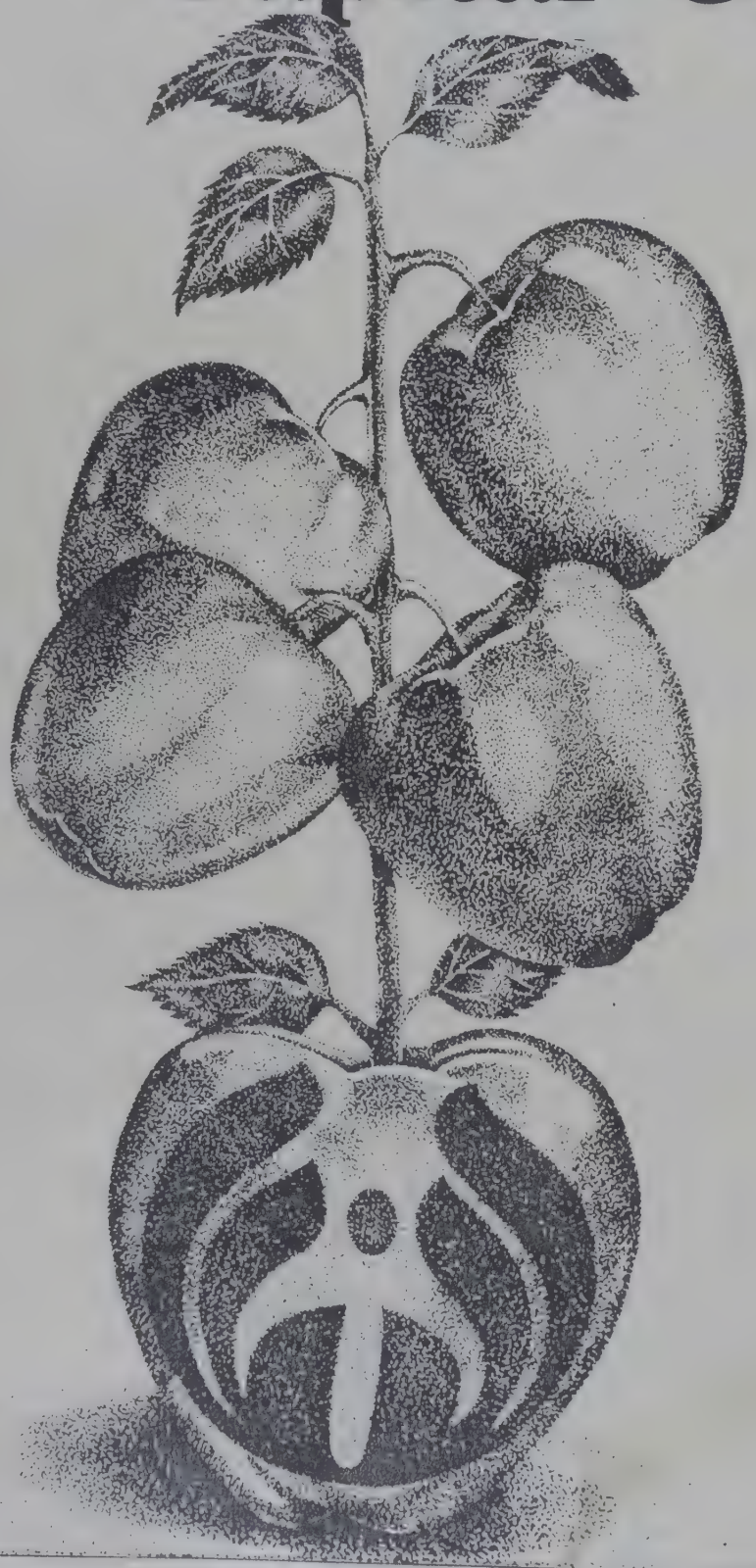
pricol

Technology at your service

PREMIER INSTRUMENTS & CONTROLS LIMITED
P.B. NO. 6331,
1087 B/C AVANASHI ROAD COIMBATORE 641 037 INDIA
PH: 0422-31521-4 FAX: 0422-33028
TELEX: 0855-376 PIL IN CABLE: PRICOL

OFFICES AT: MADRAS – PH: 8254165, BANGALORE – PH: 364269 PP/366135 PP
DELHI – PH: 6447877, HYDERABAD – PH: 75236 PP.

IDBI Capital Bonds
An attractive instrumen for exemption from Capital Gains Tax.



- Available at par throughout the year.
- Exemption from Capital Gains tax under Section 54E of the Income Tax Act, 1961.
- Exemption from Wealth tax under Section 5(1) (xvie) of the Wealth Tax Act, 1957.
- Income tax benefit under Section 80L.
- Interest at 9% p.a. payable half yearly.
- At the investor's option, interest for the full period of 3 years can be paid in advance on discounted basis.
- No deduction of tax at source.
- Outstation cheques accepted and cost of collection will be borne by IDBI.

For further details contact the nearest IDBI office or write to Manager

INDUSTRIAL DEVELOPMENT BANK OF INDIA

IDBI TOWER, Cuffe Parade, Colaba, Bombay 400 005.

PETROCHEMICALS

In the eye of the storm

No matter what the outcome of Saddam Hussein's machination in the Gulf, he may well be remembered as the man who single-handedly triggered off a world oil crisis. With crude prices touching $31 per barrel and that of natural gases and related products climbing, the future is anybody's guess.

What does this mean to the petrochemical industry, whose prices are closely linked to oil prices? Ethylene, propylene, butadiene, and xylene — the main building blocks of petrochemicals — are all obtained by processing either naphtha or natural gas and hence largely dependent on oil prices. With naphtha prices going up by about 30 to 60 per cent, prices of petrochemicals have shot up significantly. Ethylene, for instance, is now quoted at $850 a tonne against $500 only two weeks ago.

Vulnerable position. India is particularly vulnerable, as import, costing over Rs.1,000 crore, account for 60 per cent of the country's requirements. Again, only 325,000 tonnes of the total demand of 733,000 tonnes for plastic raw materials comes from domestic sources.

With international prices of polymers like LDPE, HDPE, polypropylene (PP) and paraxylene up by 20 to 30 per cent since the beginning of the Kuwait crisis, the plastic industry in the country is in for a bad time. Imports will be costlier because of the higher freight rates — about $70 a tonne against $40 earlier. Worse, as import duties are levied on an *ad valorem* basis, the landed prices will be even higher.

So far, in India, the price rise has been checked at 15 per cent, with traders and importers now releasing stocks built up earlier when prices were falling world wide. "But prices will definitely go up in the next couple of weeks and I see trying times ahead," says K. Raheja, a Bombay based trader in polymers.

Some domestic consumers have already started feeling the pinch. Bombay Dyeing, for example, depends entirely on imported paraxylene (40,000 tonnes) for its DMT plant. According to H. Bijawat, the company's managing director, paraxylene prices have already shot up to nearly $700 a tonne from $500 three weeks ago. "Things *are* bad. We can only keep our fingers crossed." Most international suppliers have now adopted a wait-and-watch strategy. They are not entering into new contracts as they expect prices to go up further. Thus, once present domestic stocks are exhausted, fresh supplies are unlikely. "My shipment of about 50 tonnes of HDPE, due on 1 August, has been held back in Kuwait. Ships are reluctant to fetch the cargo and insurance companies are asking for a fancy premium," laments Vijay Merchant, president of All India Plastic Manufacturers Association.

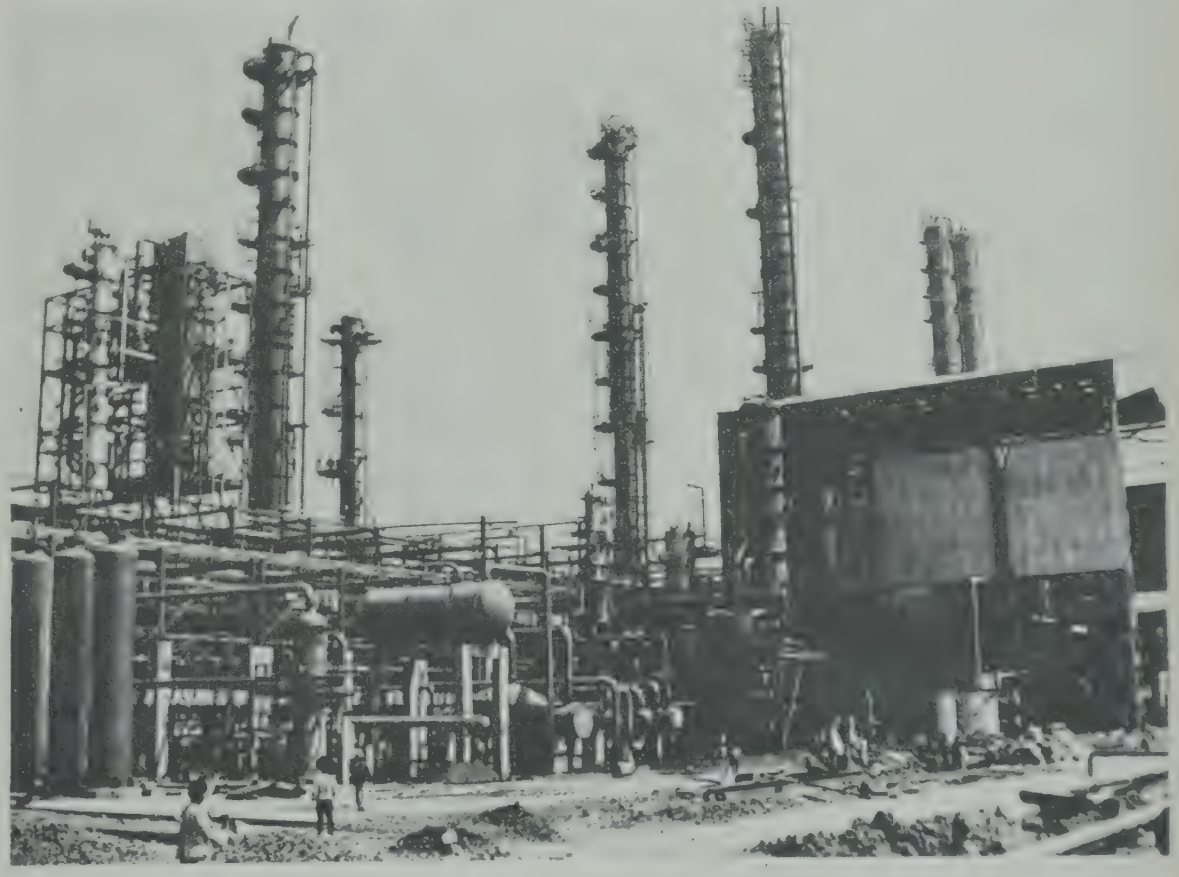
Naphtha prices. To the credit of the Indian government, it has managed to avert a price hike for naphtha so far. As a result, domestic manufacturers of petrochemicals, like NOCIL, IPCL and PIL, have had no reason to increase the prices of their products. Nevertheless, consumers are worried since they know from experience that, sooner or later, domestic prices will follow any rise in international prices.

At least one unit, Polychem Ltd, has actually benefited from the hike in polystyrene prices abroad. Till recently, the landed price of imported polystyrene was 20 per cent lower than Polychem's with the result that its stocks were piling up. "But with the recent increase there is almost no difference now," says a much-relieved Y.S. Mathur, director, marketing.

On the other hand, Reliance Petrochemical's upcoming plant at Hazira, will be hard hit if ethylene prices continue to rule high. This plant will depend totally on imported ethylene till its own gas cracker is operational in about three years.

According to M.S. Patwardhan, vice-chairman of NOCIL, "There will soon be a major shortage of raw materials, which will lead to an increase in prices. The government will then be forced to take these items off OGL to save foreign exchange. Of course, it all depends on how long the crisis lasts.

At the moment, trade with the Middle East is at a near standstill, and there is utter confusion in the industry. Consumers are becoming increasingly anxious and producers face the unenviable task of passing on price increases to buyers. Though industry watchers maintain that the situation still does not warrant serious alarm, hoarding or panic buying could draw down reserves far more rapidly than analysts expect.



MGCC, Nagothane: will reduce our dependence on imports

In such a situation, IPCL's Maharashtra Gas Cracker Complex (MGCC) at Nagothane, which has just gone on stream, may offer a ray of hope. At full capacity, the plant will manufacture 300,000 tonnes of polymers, reducing our dependence on imports considerably. The effects of this fresh infusion will, hopefully, be felt throughout the industry.

■ SHAMPA KAR

You need the earth, fire and water to create a revolution



Take the elements of earth—silica, quartz etc. Heat them to a temperature of 1600°C. Get invisible strands of glass. Cool them. And get continuous glass fibres. Convert them into Chopped Strand Mats, Chopped Strands, Rovings, Woven Rovings and Yarn. A revolution is created. **Decca Fibre**–from **Ceat Glass Fibre Division** is born.

Decca Fibre can be used by designers to create a FRP* product or part that meets the most demanding specifications. FRP products are strong as steel. Light as a wafer. Flexible as your imagination. And their age will always remain a secret.

FRP can be used in a myriad of applications. Ranging from complicated modular housing at Antarctica to aesthetically appealing furniture of different shapes. Even sophisticated electronic components are being made from FRP.

FRP is also being used in the buildin industry for a range of products—like sanitaryware, doors, water tanks and more. In the chemical industry for making acid tanks and anti-corrosive containers. In the electrical industry fo the manufacture of circuit breakers, transformers and various electrical accessories. And in the automobile industry, for making car bodies, truck cabs, hard top for jeeps and various accessories.

Decca Fibre-quality reinforcements from **Ceat** can give shape to your imagination. Interested?

CEAT

Making it happen.

* Fibre Glass Reinforced Plastics

For more information write to:

R. Vasudevan B
CEAT Limited, Glass Fibre Division
6-1-79, Laka-di-ka-pul, P.B. No. 26
Hyderabad 500 004.

Name _____

Address: _____

_____

_____

Telephone: _____ CEAT

Mudra: H: C: 902

LEATHER EXPORT

Targets met

The leather industry has made it, just. Against a revised target of Rs.2,000 crore, the industry exported goods worth Rs.2,030 crore in 1989-90 — 26 per cent more, in rupee terms, than the previous year. But industry insiders feel that it could have done better. "It has taken us a decade to double exports. Lack of modernisation, coupled with inadequate marketing back-up, have come in the way of faster growth," says M. Hashim, chairman of the Council for Leather Exports (CLE).

The growth so far can be attributed to government policy, where the emphasis has been on value addition. In fact, 65 per cent of total exports last year were of value added products. "We hope to increase this to 70 per cent," says Hashim. This would mean that India will have to push up its share of world trade from the current 2 to 5 per cent by 2000 AD, and make exports of Rs.10,000 crore (at current prices).

Momentum to grow. In the recent past, Indian leather garment exporters have benefited from the high wage levels prevailing in South Korea and Hong Kong. These exports doubled in one year to Rs.332.88 crore during 1989-90. Garment exporters expect this trend to continue in the coming year.

Footwear is the only segment in which targets were not met. It fell short of its targeted Rs.200 crore by about Rs.29 crore. Exporters lay the blame for this on "sluggish market conditions".

Exports of semifinished leather — which have since been banned — fell to Rs.21 crore from Rs.45 crore in the previous year. On the other hand, exports of finished leather registered a 7 per cent growth. The government proposes to freeze exports at this level, by imposing a quota system from April 1990.

The Federal Republic of Germany was the largest importer from India, lifting Rs.370 crore. Of this, 94 per cent were value added products. The USSR came second, lifting Rs.340 crore, followed by the US, Italy and the UK.

The industry is now aiming high, with plans to hike exports by 30 per cent in 1990-91 to Rs.2,700 crore. "This is achievable," claims Hashim. Already, there is a 36 per cent increase in exports, during the first three months of the year, over the same period last year. The targets, it seems, will be achieved once again.

■ DHARANI K. PANI



Going in for more value addition

PSF UNITS

Turning the corner

The Rs.850 crore polyester staple fibre (PSF) industry is now on the upswing. The industry, on an average, is now selling about 50 per cent more per month than last year. And yet, most units are still in the red, though their losses have been cut considerably; some in fact, are breaking even for the first time in the last four years.

The situation today is entirely different from that a few years ago. Till 1985, the total installed capacity for PSF was only 47,000 tonnes, while demand was far greater. This shortage brought windfall profits for PSF manufacturers and a host of entrepreneurs set up new units.

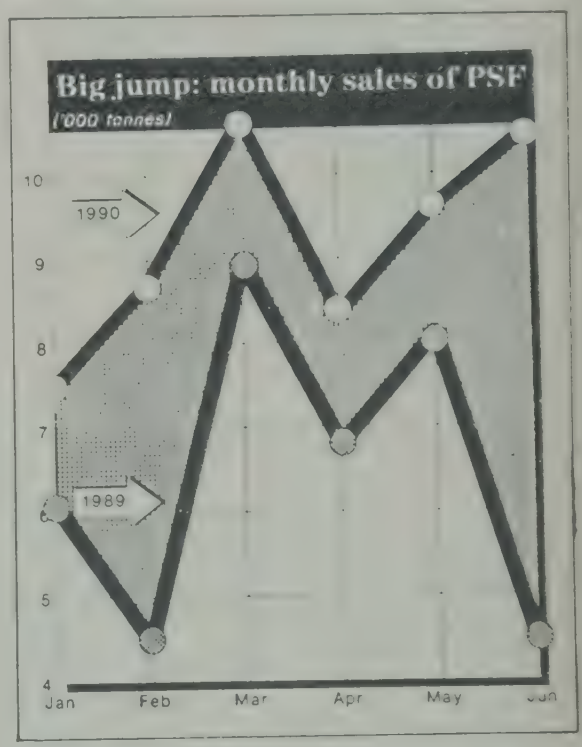
Units mushroomed. Not only that, existing capacities too were expanded all around — Reliance (65,000 tonnes), ICI (30,000 tonnes), IOC (30,000 tonnes) and Bongaigaon Refinery (30,000 tonnes). It all happened within a span of four years, taking the total capacity to 237,000 tonnes in 1989.

Soon, by 1986, supply was in excess of demand. Worse still, the textile industry, which is the only consumer of PSF was doing poorly, a stiff excise duty of Rs.45 per kg had been imposed and raw material cost had gone up.

While all PSF units suffered at the time, newcomers like India Polyfibres Ltd and Orissa Synthetics Ltd had the worst of it. These two were, in fact, declared sick within three years. Capacity utilisation in the industry dipped to 47 per cent in 1988, as against 92 per cent in 1985.

Things started looking up in October 1989 due to various factors. The government slashed duty to Rs.12 and the textile industry brightened up with both domestic and export demand picking up. Also, demand for Indian PSF picked up overseas and in 1989-90, the industry exported a third of its production (41,000 tonnes).

Though the low export price of PSF — Rs.24 per kg or one-third the domestic



price — was hardly lucrative, exports helped to mop up part of the surplus. Says R.D. Udeshi, senior commercial executive of Reliance, which is a large exporter of PSF to US, Western Europe and Middle East, "Exports help us to recover our variable cost, and a part of our fixed cost, thereby ultimately reducing the total cost of production." This year too, Reliance hopes to export about 38,000 tonnes, as against 28,000 last year.

Domestic demand up. Domestic demand has also picked up since the beginning of this year. About 11,000 tonnes were sold in June this year — almost one-and-a-half times the sale in the same month last year. In fact, the average sale of around 11,000 tonnes a month in the first six months of this year is nearly 50 per cent higher than that year (*see chart*). "At this rate the industry expects to sell 175,000 tonnes, this year as against 126,000 tonnes last year,"

By-pass the surge! For healthy functioning of the heart of your circuit.

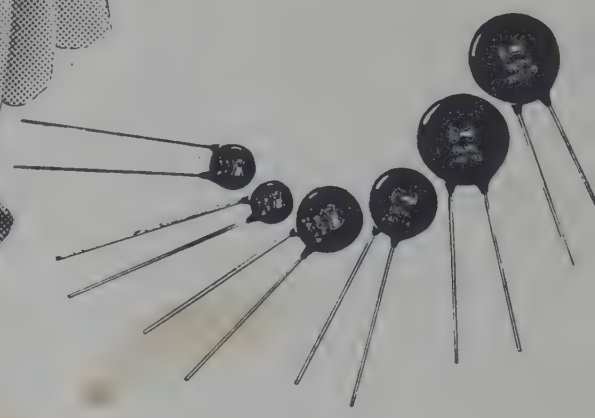


The transient voltage surges have long been a major problem to reckon with for manufacturers and users of electronic and electrical systems. The short duration high voltage spikes in the incoming power line occcur when you least expect them. And this is an universal problem

While the industry has resorted to numerous transient suppression devices, none has yet been quite adequate to the task.

Now IGE is pleased to announce its new range of high performance metal oxide varistors.

These varistors offer a higher level of circuit protection than any other device and they are more cost-effective than conventional and obsolete devices. Varistors from IGE are just what the electronics industry has been waiting for!



Metal Oxide Varistors from IGE. The new dimension in circuit protection.

IGE ELPRO
I.G.E. (INDIA) LIMITED
An affiliate of General Electric Company, USA.

Nirmal,
P.O. Box. 992,
Nariman Point,
Bombay 400 021.
Ph. 202 30 75

22 Richmond Road,
Post Box No 2507
Bangalore 560 025
Ph: 214248/212522

10 Haddows Road,
Madras 600 006
Ph: 475697/471510.

Nehru House,
4 Bahadur Shah
Zafar Marg,
Post Box 7027
New Delhi 110 002
Ph: 331 8448/3311773

Wellesley House
7 Red Cross Place
Post Box 2007
Calcutta 700 001
Ph: 285401/2/3

says C.N. Sangameswaran, secretary of The Association of Polyester Staple Fibre Manufacturers.

Individual companies are also performing better than last year, which is reflected in their share prices. The share prices of Orissa Synthetics and Indian Polyfibres, for example, were quoting below par only about two months ago — now they are about to touch Rs.30. Similarly, Reliance shares which were quoted around Rs.70 only about two months ago, are now quoted around Rs.160.

Today Orissa Synthetics is producing around 1,100 tonnes per month — about 300 to 400 tonnes more than last year. Suresh Malhotra, the company's managing director, hopes that by March 1991, the company will be able to bring down its losses substantially and may even make a small profit. Similarly, Indian Polyfibres is now operating at 70 per cent of its capacity, against 30 per cent last year. ICI also plans to increase production to 20,000 tonnes this year, up from 12,000 tonnes last year.

The PSF industry is clearly turning the corner. However, shareholders will have to wait at least two more years for definite gains. The government, on its part, can help by reducing excise duty further and keeping input prices in check by giving concessions. As V.T. Topa, manager commercial at ICI says, "We hope the government will continue these concessions till this sector recovers."

■ MAHIRA HASSANALI

SHIP ACQUISITION NORMS

Confusion worse confounded

The Directorate General of Shipping (DGS) seems to be at loggerheads with the ministry of surface transport. By a notification issued in mid-August, the ministry took away the directorate's powers to issue price reasonableness certificates for any ship being bought or sold, which indicates that the price at which the vessel is changing hands is reasonable. A subsequent DGS notification issued on 21 August seems to be aimed at nullifying the ministry's orders, without of course saying so in so many words.

In most cases, buyers would approach the Shipping Credit and Investment Company of India (SCICI) for finance to buy the vessel. The SCICI had made it a practice to make independent price valuations of ships before sanctioning any loans. It now appears that the ministry's order was prompted by a feeling that since the SCICI was doing its own valuation in any case, the DGS certificate was not necessary.

Technical aspects. The ministry's notification also did away with the DGS' prior verification of technical aspects of the ship. In its place, the mercantile marine department (MMD) government of India was empowered to give technical clearance at the time of the registration of the ship under the Indian flag.

Under the practice followed so far, a buyer was required to obtain a valuation of the ship to be bought from a pool of 22 DGS-approved international valuers. The DGS then scrutinised the valuation and issued the price reasonableness certificate. The ship acquisition licensing committee (SALC), the final authority, would then issue a licence which permitted acquisition of the vessel.

Before these procedures could be tried out, the DGS retaliated by issuing a notification stating that valuations initiated by buyers were no longer acceptable. Henceforth, the notification said, the DGS would undertake the valuations and the bill would be footed by the buyer.

However, the Indian National Shipowners Association (INSA) is not in favour of the changes brought about by the ministerial notification. The association feels that since the vessels are usually purchased second hand, the price depended on a number of technical details like the vessel's age, class, etc. It felt that the DGS was better qualified to assess these technicalities. Put plainly, shipowners are reluctant to leave valuations to the SCICI alone. Says K.M. Sheth, deputy chairman and managing director of Great Eastern Shipping Company, "The SCICI panel is not the most experienced technically to assess prices."

Referring to the DGS' move to counter the ministerial notification, a shipowner points out, "This only shows that the DGS does not find SCICI a body competent enough to issue price reasonableness certificates."

N.C. Singhal, managing director of the SCICI, obviously has his own point of view. "We have a massive database on the sale



Indian ship buyers pay extra to make up for delayed clearances

and purchase of ships the world over, which gives us the current prices," he says. The SCICI also has excellent relations with the broker community in London and international valuers, which keeps it informed of the market fluctuations. For instance, SCICI's evaluation helped a Madras-based shipping company bring the price of vessels it planned to buy down by a million dollars.

Not in favour. Shipowners are also not in favour of the powers of prior technical clearance taken away from the DGS. As was the practice, DGS clearance had to be obtained before the purchase. MMD clearance, in contrast, comes only at the time of registration. As Sheth says, "If the MMD asks for technical changes after the purchase, it could mean additional costs."

Singhal of SCICI feels that bypassing DGS technical clearances "will speed up the acquisition procedures considerably". And as the time for clearance is reduced, the India factor — a 15 per cent higher cost charged by sellers to Indian shipowners for the delay in obtaining clearances — in the purchase of vessels will also come down.

Though this appears reasonable, there are those who disagree. Arun Metha, managing director of Varun Shipping, which is going in for a massive fleet expansion, says, "We do not anticipate any major delay in acquiring ships through the old procedures."

Though shipping companies were looking for procedural simplifications in ship acquisition, the new guidelines are obviously not what they wanted. Even though less time will be required for clearances, what the shipowners really want is a single window clearance. And as Metha says, "I don't see that materialising in the near future."

■ GEORGE ALBERT

GULF CRISIS

Airlift India

Doordarshan was quick to call it the biggest air-lift since the Berlin blockade. The comparison was, expectedly, neither apt nor in good taste. However, members of Parliament, usually uniformly reviled for their abysmal standards of Parliamentary debate, saw it more clearly. They called it a national emergency, and they were right, of course. The government's decision to organise the massive evacuation of Indian nationals displaced by the Iraqi annexation of Kuwait is not just a good and brave idea. That's its job. Our people have been stranded without food and shelter, penniless, in a war zone thousands of miles away. We have to bring them home.

Even as Doordarshan's claim hit all the wrong notes, the evacuation effort finally came together. It had been initially tentative and quite inadequate — only about 1,200 people were being flown home while 45,000 to 50,000 languished in refugee camps in Jordan alone.

Air India deployed three A-300 aircraft at Dubai to fly over 1,600 people a day from Amman to Dubai. From Dubai four Il-76s and four A-320s took them onwards to Bombay. Ten additional AI employees were pressed into service at Amman and 15 more joined the staff in Dubai.



Evacuees on AI's rescue flight receiving Rs.500 each at Sahar airport

IA pitches in. Indian Airlines pitched in too with one Airbus in Dubai flying the Dubai-Amman-Dubai route and two A-300s and four A-320s, also based in Dubai, which made six flights a day to India. The airlift began moving around three times the initial number a day.

Addressing a press conference in Bombay, AI's acting chairman and managing director S.R. Gupte said the present crisis would cost the airline Rs.200 crore in the remaining part of the financial year. The increase in AI's fuel bill, the rise in insurance premia for flights operating in the Gulf and the curtailment of AI's flights to London and Sydney were the factors that had contributed to this huge expenditure, he said. The airline was willing to take the commercial risks such an expend tailed, he added, because of the the emergency and its effect on th of Indian nationals.

Despite Gupte's apparent dis commercial matters, not all th who returned praised the Maha truism. Charges were made that line was seeking to profit from t while some complaints of ineffici corruption among the AI staff at were made. One grouse was that t nate few who were in a position t their tickets on the spot were sent a day while the others had to wai to six days at the very least.

The cost of evacuation. "Money is issue here," said a senior executive operations department, reacting charges. "Our countrymen are in d and we are trying our best to help." I quite true, however, to think that seek to pay its bills with emotion. T to newsmen, S.R. Gupte clarified th eration Evacuation is costing the about Rs.20,000 per passenger, an the ministry of external affairs woul this cost for the bulk of passengers

The perception that AI was cash on the crisis rose apparently becau airline sought and received perm from the International Air Transpo sociation (IATA) to levy a 7 per cen charge on all tickets. This AI said offset the hike in oil prices follow Iraqi invasion of Kuwait.

■ RAJU BIST and NAVAL G

IDBI

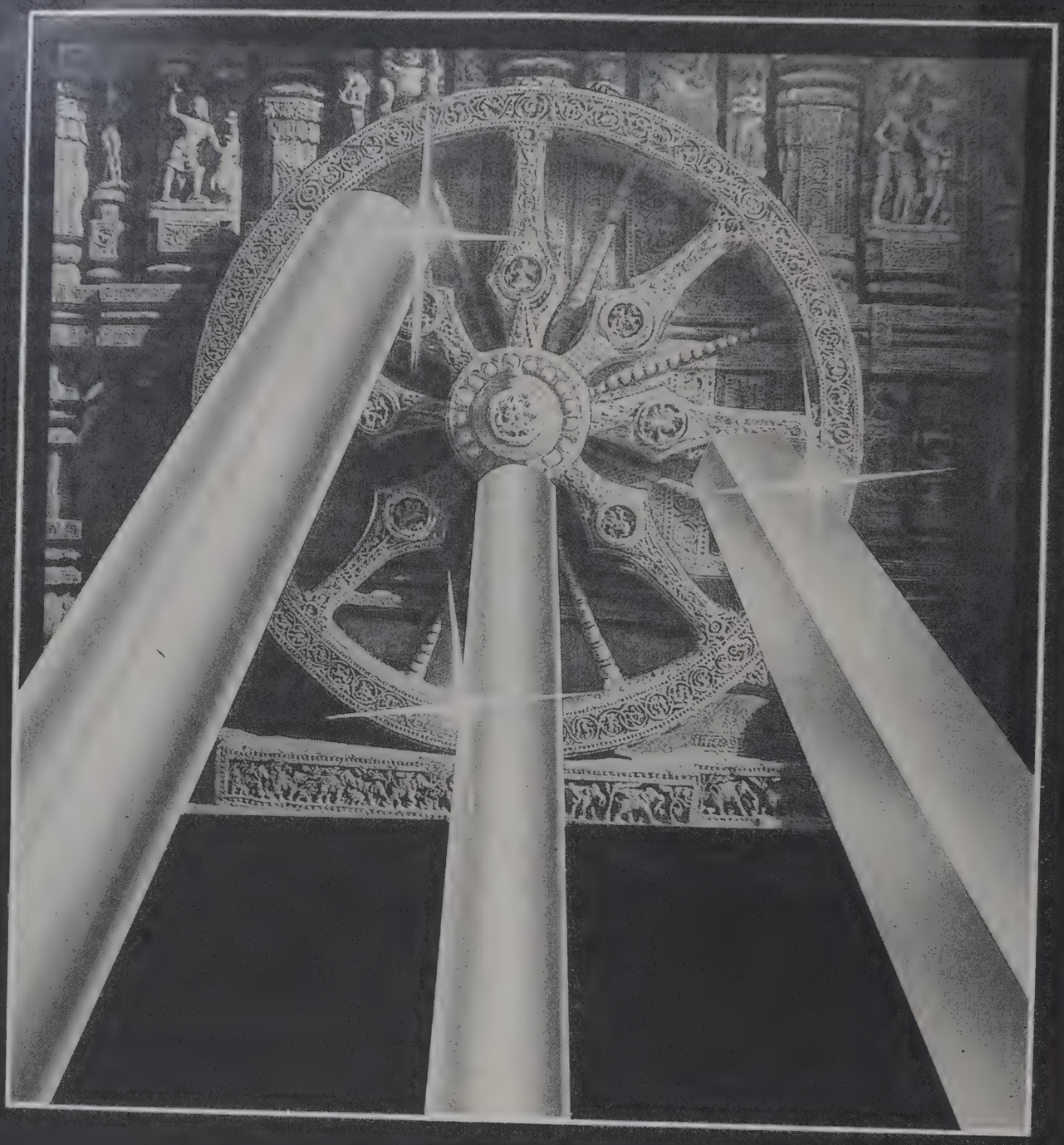
Investment Deposit Account Scheme



- Companies, Firms, Individuals & HUF, save tax on income assessable under the head **'Profits and Gains from Business or Profession'** as covered under Section 32 AB of the Income Tax Act 1961.
- **Deposits under the Scheme are deductible up to 20% of taxable income.**
- **The scheme is available for previous years ending upto March 31, 1990.** Deposits should be made **within 6 months of closure of assessee's accounting year or before filing of tax returns** whichever is earlier.
- **Deposits can be made by post.**
- **Interest @ 10% p.a. will be credited to the assessee's designated bank account on 1st April every year without tax deduction at source and can be freely withdrawn for any use.**
- **Principal** amounts of deposits **can be withdrawn after one year** for purchase of plant and machinery, computers etc. for the business or profession of the assessee.
- Outstation cheques are accepted and collection charges will be borne by IDBI. Date of deposit will be the date of receipt of cheque by IDBI.
- Demand drafts received by IDBI within 10 days of issue, will get credit from the date of the draft.

INDUSTRIAL DEVELOPMENT BANK OF INDIA
'IDBI Tower' Cuffe Parade, Colaba, Bombay 400 005.

Sobhagya-90



CAN YOU SEE THE GLITTER IN THIS SPLENDOUR OF STEEL ?



The discerning eye can see beyond the obvious. Far beyond the greatness of Powmex High Speed Steels produced in technical collaboration with world leaders, Bohler of Austria. To perceive the national need for HSS today being extensively imported. Powmex is set to fulfil a domestic demand for HSS that is increasing every year. Powmex will produce 3750 tonnes of HSS and meet two-thirds of the Indian market requirements! That is the glitter of success in Powmex Steels!!

THE UNIQUE PROJECT:

The Rs. 70-crores Powmex plant is coming up in Turla, Bolangir district of Orissa. Powmex is an assisted unit of Industrial Promotion and Investment Corporation of Orissa (IPICOL). This project of vital national importance will set the lead in steel development, curb imports of HSS and through it make a strong contribution to the nation's economy.

THE TRAILBLAZING COLLABORATION:

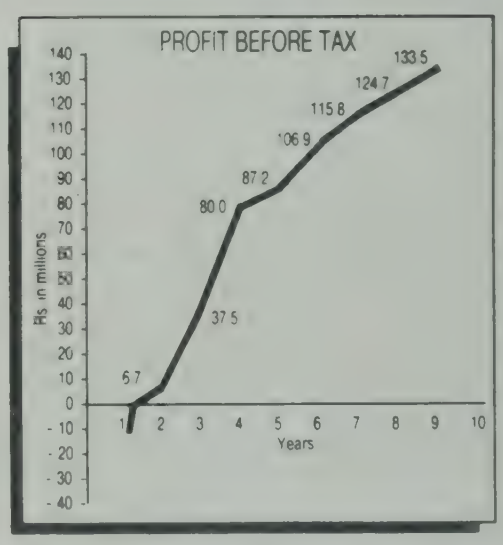
Powmex will incorporate BOHLER'S advanced Powder Capsule Forging Technology, alongwith improved ingot technology, which is the latest and best in the world! For the first time in their 100-year-old history, Bohler will transfer their pioneering PM HSS technology to a company anywhere in the world.

THE UNRIVALED PRODUCTS:

Powmex will be manufacturing critical grades of HSS like M35, M42 and T42 through Powder Capsule Forging Technolgy and M2 through ingot technology.

Powmex HSS, with Tungsten and Molybdenum base, will be produced in various shapes such as squares, rounds and flats, and will be of exceptional quality, with superior red hardness, wear resistance and dimensional stability. Powmex steel will be indispensable for the production of hi-tech sophisticated cutting tools like Drills, Taps, Dies, Reamers and Punches etc. Powmex Steels will thus raise the standards of tool production and productivity in ultra-modern industries like aviation, automobiles, engineering, metallurgy among others.

THE POWMEX PROMISE



With 40 p.c. capacity utilisation in the first year and a remarkably low break-even point, Powmex is certain of breaking even by the 15th month of production. For investors this spells quick profits in a shorter span of time. All of which adds to the profile of Powmex as a mega-winner!

Powmex Steels Limited

(AN ASSISTED UNIT OF IPICOL)

Administrative Office: 8-2-621/A, Road No. 10
Banjara Hills, Hyderabad-500 034.

Registered Office: Turla, Bolangir Dist. Orissa

POWMEX - Redefining the future of High Speed Steel.

Sobhagya

"That dream spot in Madras cost us Rs.2,000 each time. I hope it was telecast."

"I need in-shop demonstrations conducted in 25 cities."

"I want to sample at least 20,000 houses in Varanasi."

"Who on earth will attend tomorrow's tender opening in Dehradun."

"Sticker 10,000 cars in Hyderabad."

"Are our cinema slides appearing on schedule in Jamshedpur?"

"We must have a confirmed hotel reservation in Goa, it's peak season now."

"We need to Mysore with po next wee

"I need a salesman in every state capital in India... next month."

"We need to cover at 50 towns for this survey a month in which to d

INTRODUCING INDIA'S FIRST NATIONAL NETWORK FOR MARKETING AND BUSINESS SERVICES

Market Network with offices in over 50 cities in India and soon to cover 150 cities, is India's first national network to offer comprehensive marketing and business services.

Each office is fully equipped and manned by full time, competent, trained staff to provide instant access to the remotest corners of the country.

For Promotions, Data collection and Research, Recruitment of sales and marketing personnel, Distribution and a host of other invaluable marketing and business services.

Market Network works for you in 4 ways.

1. It's National
The national network of offices coordinated through controlling zonal offices at Bombay, Delhi, Calcutta and Bangalore for the first time allows truly national penetration, even simultaneously at multi-locations, for any kind of marketing effort.

2. It's Faster
Fully manned offices ensure immediate implementation. Saving invaluable time that would be involved, if you were to set up your own office, recruit staff, or even send existing staff from outstation.

3. It's Better
Market Network's quality assurance plan begins with staff selection, who from managers to field staff are hand picked and formally trained to adhere to stringent all India quality standards. In addition, these individuals being residents and familiar with the town, are far more effec implementation than outsiders.

4. It's Economical
Through Market Network the implementation of any job costs le handled locally, totally eliminatin expensive travel, board and lodge outstation staff.

RANGE OF SERVICES

Marketing Services Division

- Promotions
- Data Collection
- Market Research (In affiliation MRAS-Burke)
- Media Checking
- Distributor Appointments
- Distributor Monitoring

Personnel Services Division

- Personnel Recruitment
- Supervision of outstation perso

Business Services Division

(Services open to Members only)

- Representative Office with Staff pay-as-you-use basis
- Communication Facilities
- Tender Opening Attendance
- Outstation Claim Verifications
- Outstation Bank/Stock Reports
- Cheque Collections
- Travel & Accommodation Booki

Call the Market Network office in y town today for an instant hook up national marketing and business serv

MARKET NETWORK

THE FASTER, BETTER, ECONOMICAL WAY TO NATIONAL MARKETING

Bombay: 249,Dr.D.N. Road, Bombay-400 001. Tel: 2610008/2610089/2622458 ● 14/15 Satam Ind. Estate, Andheri(E), Bombay-400 093. Tel:6343472
Delhi: B-4/66 Safdarjung Enclave, New Delhi-110 029. Tel: 607889 ● F-6 First Floor, Harbans Bhawan-II, Nangal Raya Commercial Complex, New Delhi-110 046. Tel: 550 6509.
Calcutta: 18(4/4) Ekdalia Road, Calcutta-700 019 Tel: 422048 ● 3B Dehi Entally Road, Calcutta-700 014. Tel: 294894
Bangalore: Brigade Towers, Brigade Road, Bangalore-560001. Tel: 210715 Ext. 1908. ● 427, 56th.Cross Rd., III Block Rajaji Nagar, Bangalore-560 010. Tel: 351528
● Ahmedabad(352252/351715) ● Ahmednagar ● Amravati(5342/3329) ● Aurangabad ● Balasore ● Bhopal(553357) ● Bhubaneshwar(51870) ● Bokaro ● Cochin
● Cuttack(23081) ● Guntur ● Guwahati(31452) ● Hyderabad(848781) ● Indore(36574/33285) ● Jabalpur(25848) ● Jaipur ● Jalgaon(6271) ● Jamshedpur (29502) ● Jodhpur ● Kanpur(211932)
● Kolhapur(27209) ● Lucknow ● Madurai(25560/37979) ● Mangalore ● Mysore(28808) ● Nagpur(525597) ● Navsari ● Patna(32167) ● Pune(333981) ● Quilon(2657) ● Raipur(23424/323095)
● Serampore(622498) ● Silchar(21549) ● Surat(49209/49306) ● Trivandrum(74929) ● Tuticorin (22877/20577) ● Vishakapatnam

ICI INDIA

Need for reappraisal

The loss ICI India Ltd suffered recently had everyone guessing. The company lost Rs.12.19 crore in the year ended March 1990. This compares with a profit of Rs.20.90 crore in the previous eighteen months (Rs.13.92 crore on an annualised basis). Also, ICI's parent company, ICI plc, sold its fertiliser business to a Finnish company, Kemira. What observers in India wondered about was whether ICI would decide to withdraw from fertilisers in India as well.



Crescent House: unrealised profits

This is not the first time there has been talk of ICI leaving the country. Even a year ago, rumours flew fast and furious that ICI was planning to sell its fertiliser plant to Abhey Oswal (see *Business India*, October 16, 1989). That was not to happen.

No connection. ICI India denies that there is any connection between ICI plc's decision to get out of fertilisers and what it does in India. Sekhar Raha, executive director, ICI, points out that ICI India continues to run a rubber chemical business even though ICI plc got out of this area in 1977. When it needed new technology it tied up with Sumitomo of Japan.

ICI's real problem in the Indian context is that the fertiliser pricing policy tends to favour new units set up at high capital cost and discriminates against older units with depreciated capital and high fixed costs. If ICI decided to upgrade its unit at Panki (near Kanpur), for instance, it would need upwards of Rs.300 crore.

According to company sources, but for the loss suffered by the fibre division, profits from operations would have shown either an improvement or at least maintained their profitability over the previous year. Demand for polyester fibre is much stronger during the current year, showing a growth of almost 25 per cent. Industry capacity utilisation, including ICI's, is still under 50 per cent and margins continue to be under pressure.

In any case the company would not have shown a loss if it had been able to book profits on the sale of its former office, Crescent House, in Bombay. While it has received an advance of Rs.18 crore, it has yet to receive final clearance from the port trust for the sale.

What is worrying, though, is that the company has still to get clearances for a number of new projects on which its future profitability depends. Observers believe that its continuing FERA status and its insistence on having expatriates in the top management are the major obstacles to receiving these clearances. Instead of appointing an Indian to succeed P.E.G. Daubney, (who has just completed his term in office) another expat, G. Ewart, has been appointed managing director.

■ EAPEN THOMAS

SCINDIA STEAM NAVIGATION

Shareholders firm

The cloud of fractious issues hovering over the management of Scindia Steam Navigation Company Ltd seems to have blown away with a majority of shareholders voting in favour of all its three resolutions on 6 September. The resolutions were: adopting the annual accounts, appointment of the auditor and the reappointment of V.M. Parekh as managing director of the company.

The resolutions could not be passed at the AGM on 5 September as a sizable number of shareholders, led by Manoj Sharma, a director of the Bihar-based defunct Thakur Shipping, rejected them. As a result, N.S. Parulekar, chairman of the company, had to call for a poll by ballot for the following day.

Scindia Steam's finances appeared to be progressing towards stability (see *Business India*, March 19, 1990), when Sharma, who has the support of Scindia's chairman emeritus, Sumati Morarjee, appeared on the scene to claim otherwise. Sharma's aim was to establish that the company had been mismanaged. He wanted a place on the board as the shareholders' representative.

No seat on board. Even if the shareholders had put Sharma on the board, he could not have occupied a seat without the government's endorsement. The Shipping Development Finance Committee Abolition Act (SDFA), 1986, states that the shareholders of companies with government-appointed directors do not have the right to appoint directors.

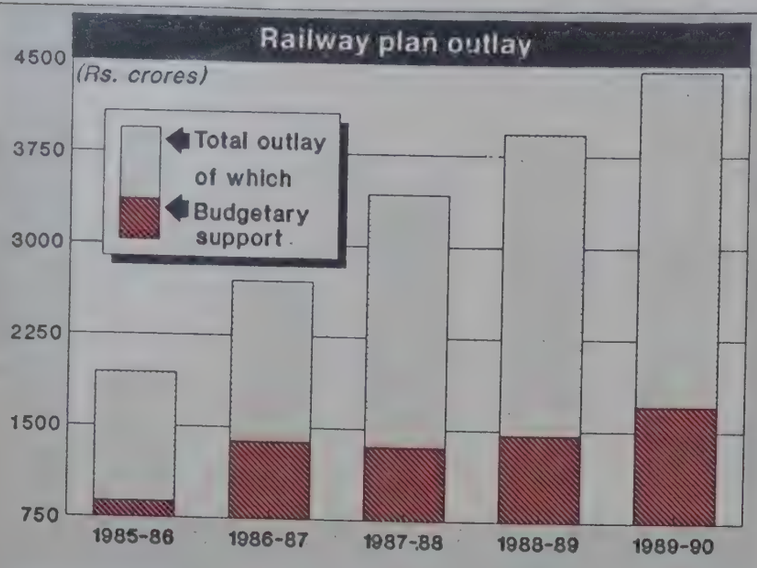
Moreover, the government would not have appointed Sharma as a shareholders' representative, as there are already two on the board — Sumati Morarjee and H.M. Patel. Sharma had alleged that "compared to other companies, Scindia had spent considerably more on the manning and repair of ships." According to company sources, the cost of manning ships is high as it had to be handed over to ship management companies. However, says Parulekar, "The company has decided to gradually change over to its own officers."

Sharma's other allegation — that the management was deliberately trying to kill Scindia Workshop, a subsidiary company — also appears to be rather unfounded. The land on which the workshop stands is being acquired by the state government. Says Parekh, "It is financially not possible to run the company." Saddled as it is with a total debt of Rs.9.5 crore, the workshop will need a working capital of Rs.11 crore to restart. "In the present circumstances, Scindia cannot pump in that kind of money," Parekh says.

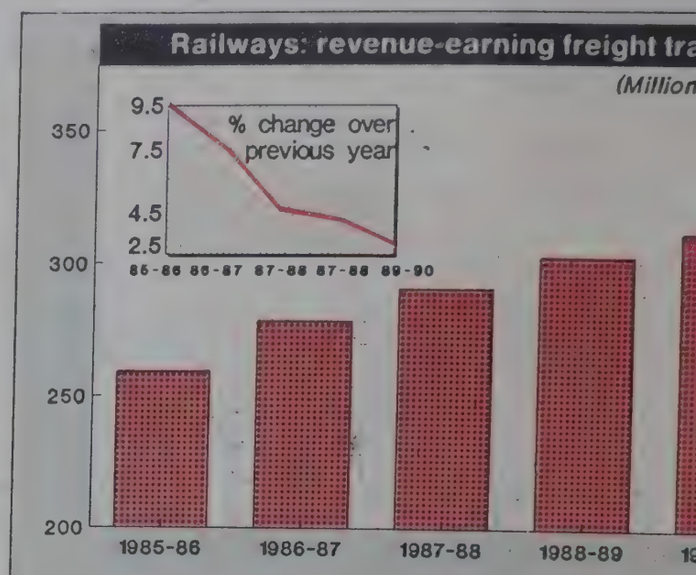
Interesting charge. Sharma also suggested that the profits of Rs.1.5 crore for 1989-90 were fictitious. "The company's income is Rs.48.64 crore as against its expenditure of Rs.52.10 crore. Obviously, it made losses," he says. Even though Scindia made an operating loss, the company has made profits. Unfortunately, in the absence of government approval to the restructuring proposals, the company had to provide Rs.12.06 crore for interest as against Rs.6.60 crore. "With the benefit of restructuring, our profit would have been Rs.6.96 crore," Parulekar says.

Sharma, though, refuses to give up. He is approaching the finance ministry to put him on the board. If unsuccessful, he plans to challenge the SDFC act. His chances of success are dim: when Sumati Morarjee's daughter earlier challenged the act, the case wasn't even heard.

■ GEORGE ALBERT



Railway plan outlay: In view of severe resource constraint the Centre's budgetary support to the railway development plan, has been declining. This means market borrowings are on the increase. For 1990-91 the budgeted outlay is Rs.5,000 crore.



Railway freight traffic: Railway freight traffic has been decelerating afte tum jump of 9.4 per cent in 1985-86. In 1989-90 the railways carried tonnes (mt) of foodgrain, about 5 mt less than the targeted amount. This due to a lower offtake of foodgrains. The target for 1990-91 is 325 mt.

Wholesale price index: The all-commodities wholesale price index was up 1.2 per cent in the month under review. Among primary articles, the price of oilseeds is up by nearly 2 per cent during the month and a whopping 28 per cent on a year-to-year basis. In manufactured products, jute and cement continue to rise unabated.

(1980-81 = 100)

	18 Aug '90	14 Jul '90	19 Aug '89	% change over month	% change over year
All commodities	179.2	177.1	166.8	1.2	7.4
Primary articles	182.7	182.5	167.3	0.11	9.2
Manufactured products	179.7	177.9	168.6	1.0	6.6

Money and banking (scheduled commercial banks): In the month to 24 August 1990 broad money has risen only marginally. In fact, on a year-to-year basis the increase this year is 16.1 per cent as against 16.9 per cent in the corresponding period the previous year. There is also a quicker deceleration in the growth of credit to 17.5 per cent per annum, as against 22.6 per cent last year.

(Rs. crore)

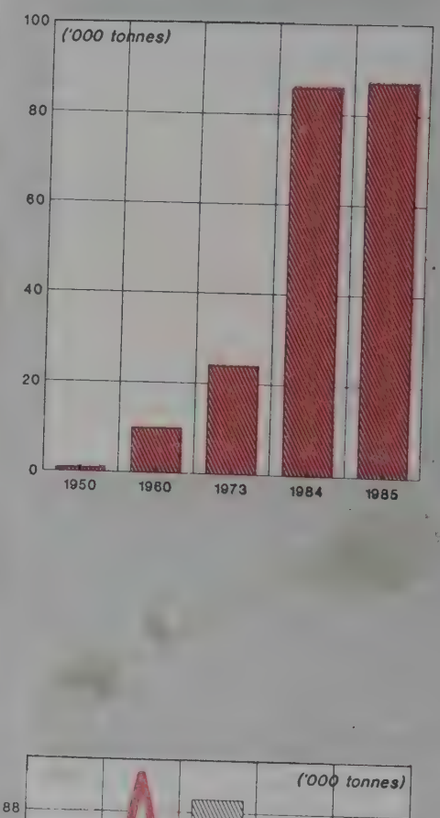
	24 Aug '90	27 Jul '90	25 Aug '89	% change over month	% change over year
Broadmoney (M3)	2,39,638*	2,39,198	2,06,354†	0.18	16.1
Aggregrate deposits	1,75,809	1,74,793	1,51,522	0.63	16.0
Bank credit	1,04,002	1,04,592	88,517	-0.56	17.5
Food credit	3,523	3,883	1,048	-9.3	236.0
Credit/Deposit ratio	59.16	59.84	58.42		

** 10 August 1990, † 11 August 1989*

Bullion prices and stockmarket index: The price of gold has been rising in recent weeks mainly because of the tension in the Middle East. On the other hand, the price of silver has been relatively steady. The Bombay Stock Exchange index continues to rise. During the month under review it has risen by 20.3 per cent despite the recently imposed restrictions on trading.

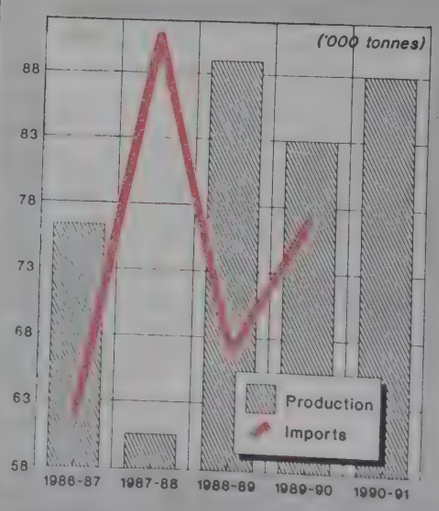
	7 Sept '90	7 Aug '90	8 Sept '89	% change over month	% change over year
Gold (Bombay)	3,376	3,265	3,085	3.4	9.4
Silver (Bombay)	6,674	6,668	6,875	0.08	-2.9
BSE index (1978-79 = 100)	1,255.72	1,043.54	721.56	20.3	74

(Price of gold in rupees per 10 gms and silver in rupees per kg)



Commodities: Z

Zinc production has m an upward trend, increa around 35,000 tonnes i enties to nearly 90,000 1990-91. In recent years of increase has slowed aluminium and copper, most extensively used rous metal. Japan is th highest consumer (6.9 capita), while India is a lowest consumers, with a ita consumption of only per annum. Among proc zinc, the USSR tops the l share of 15.5 per cent fol Japan at 10.7 per cent a ada at 8.6 per cent. Tot output is around 6.64 tonnes.



Imports

Despite increased prod demand has outstripped and India has had to t course to large imports. I years, imports have acc for nearly 50 per cent of t mand. In fact, it has be mated that by the year 20 imports will account for n per cent of total demand.

The look is classic, sophisticated, debonair, suave — any one or all of these adjectives fit the CD shirt with the cut-away collar – CD `Touch of Class'.



CD

The Symbol of the best Shirts in India

Available only at:

Charagh Din

64/81, Wodehouse Road, Colaba, Bombay

NOWHERE ELSE

There are no branches or dealers & sub dealers
No agents or representatives appointed by us

2o AMOL BOSE ADVTG 10490



Of what use is an advanced microcontroller to a man who counts on the sea gods?

Every day millions like him set sail. A prayer on their lips. Hope in their hearts. Will the catch be good today? But now they can be sure. With Motorola's innovative microcontroller technology. It goes into detectors that enable fishermen to locate shoals of fish. The technique: colour depth sounders. The result : people like this man net a bigger, more profitable catch. The fish-finder is just one example. At Motorola, we have the technological understanding and prowess to develop many such advanced software and hardware solutions that can better the human experience: So that high technology isn't just relevant to Starwars and Space Research. But also to this man.

INDIA

TOGETHER WE'LL MAKE TECHNOLOGY WORK

MOTOROLA

TWO WAY RADIOS, PAGERS, CELLULAR TELEPHONES AND SYSTEMS, DATA COMMUNICATIONS AND INFORMATION PROCESSING EQUIPMENT, SEMICONDUCTORS, DEFENCE AND AEROSPACE ELECTRONICS, AUTOMOTIVE AND INDUSTRIAL ELECTRONICS, COMPUTERS.

India Liaison Office: 822, Meridien Commercial Towers, Windsor Place, New Delhi-110 001, India Tel: 3711549 Tlx: (31)62902 Fax: 3718086

LINTAS (DELHI) /MOT-3/2435

When You Call Us, You Say Hello To The World Of Instrumentation.



Nulab is the connection. To the innovative world of essential analytical tools. And customers now can find instrumentation solutions with just one phone call.

Nearly a decade ago, Nulab began importing a wide range of Spectroscopic products. The success encouraged the company to quickly expand into other related areas of Analytical Instrumentation Systems like Chromotography, Weighing Technology, Thermal Systems and Titrimetry.

Today, Nulab has the unique distinction of representing exclusively some of the best and brightest names in Instrumentation. They include: Spectra–Physics, Bio–Rad–Digilab Division, GBC, Carlo Erba, Labtam and Mettler.

A 200 strong team, comprising pre-sale applications chemists, sales engineers and after–sales service personnel makes every effort to ensure scientists and professionals have the cutting edge.

An assurance of a ready stock of vital spare parts ensures customers don't lose time.

In so far as instrumentation is concerned, Nulab has helped make it a global village. So, when you call Nulab, you say 'Hello' to the whole, wide world of instrumentation.

NULAB
Equipment Co. Pvt. Ltd.
Labhouse, Plot No. F-13, Marol MIDC,
Opp. SEEPZ, Andheri (East), Bombay-400 09
Tel: 6366506/6321420. Fax: 009122, 636100
Gram: MENTSLAB. Telex: 011-79123 LAB IN

Delhi (Tel: 5735975/5754518)• Madras (Tel: 456962)• Calcutta (Tel: 273385)• Hyderabad (Tel: 847980/849639)• Bangalore (Tel: 26542

Benefits of delicensing steel



In a major policy decision, the government has decided to delicense the steel sector under the new industrial policy. This privilege, hitherto exclusively reserved for the public sector, is indeed another move towards liberalisation, the ultimate aim that makes the Indian industry more competitive and eliminates shortages. The Industrial Policy statement of 1956 had placed iron and steel in Schedule A, which meant that all new units in the industry would be set up only by the government. Private units already in existence would, however, be permitted to expand their capacities. This policy led to the creation of very large public sector plants, under the Steel Authority of India Limited (SAIL), and the only integrated private sector steel plant, TISCO.

However, the government allowed the setting up of mini steel plants via the electric arc furnace route. But these plants were a failure because of the continuous shortage of power and scrap iron. Also, the mini steel plants had a capacity ceiling of 250,000 tonnes, making production very uneconomical. Nevertheless the government, on realising that capacity is a constraint to higher production, liberalised the steel licencing policy to allow private sector firms to produce steel up to a capacity of one million tonnes per annum. This, it was understood, ought to enable mini steel plants to generate the required production to compete with the larger integrated steel plants and yet maintain economies of scale.

Increasing steel production

At the macro level, production of finished steel has been increasing very slowly. It was 10.5 million tonnes in 1985-86, and in 1989-90 this increased to 12.85 million tonnes, up 22 per cent in four years. Of this production target, SAIL accounts for around 6.5 million tonnes and the balance is shared between Tata Steel and the mini steel plants.

But demand has exceeded supply which in turn has necessitated expensive imports. Domestic demand for finished steel has increased from 11.3 million tonnes in 1985-86 to 14.8 million tonnes in 1989-90. The demand-supply gap in finished steel has widened over the years. India has been importing steel to the tune of Rs.2,000 crore per year; this includes alloy and special steels. Of course, calling a total halt to imports will be impossible as certain types of special steels will always be required. However, the bulk of imports could be reduced with a more pragmatic policy.

The lackadaisical management of affairs in the public sector giant — SAIL — necessitates imports. Its plants are outdated and lack adequate maintenance. Also, industrial relations at the different plants leave much to be desired. All this has resulted in actual production falling short of targets. To overcome these problems, SAIL has embarked on a massive modernisation programme.

Alongside increasing production, modernisation will enable SAIL to produce steel at energy levels comparable to international standards. Manpower productivity is likely to improve by 100 per cent and a saving of nearly Rs.2,000 crore per year, in cost of production, is expected. Even 50 per cent of this would be a major achievement.

India's rich iron ore reserves

Given the excellent raw material availability in India, the country is poised for a substantial growth in steel production. India is well endowed with rich reserves of iron ore. Although there is an acute shortage of high quality coking coal, total reserves of iron ore are estimated to be around 17.6 billion tonnes (bt) of which 11.5 bt are of the haematite category and 6.1 bt of the magnetite category. But at present, only 12 bt can be classified as recoverable reserves. Last year, iron ore exports fetched Rs.778 crore. The irony is that if the iron ore was made into steel and then exported, the value added would be four or five times which would considerably ease the country's foreign exchange problem.

Be that as it may, the thrust during the Eighth Plan period is not only to become self sufficient but also to export around two million tonnes of steel. The aim is to increase steel production in the country to around 24 million tonnes by the end of the Eighth Plan period. The department of steel has pleaded for an allocation of around Rs.29,000 crore for the steel sector. While chances of getting this are high, will SAIL rise to the challenge?

ASPI CONTRACTOR

■



IF YOU'RE IN THE AMUSEMENT PARK BUSINESS, ALLOW US TO PREDICT YOUR 1991 SALES GRAPH.

Meet the company that could turn your fledgling amusement park into a runaway success.

We're New Age Amusement Rides, part of the reputed Essel Group of Companies. Leaders in the field of fun engineering. And specialists in manufacturing world class, state-of-the-art rides in India. (In fact, some of Esselworld's most popular rides were set up by us!) We can supply rides to any part of the country. And we also offer you our services as consultants in the planning and installation of your business. Get in touch with New Age Amusement Rides. You'll find we have everything you need to pull in the crowds. And push up your sales.

NEW AGE AMUSEMENT RIDES (P) LTD.

B-10, Lawrence Road, Industrial Area, New Delhi 110 035. Tel: 7124194/7214135/7115608. Telex: 031-79079 RAMA IN.

Let the public in



VAGHUL

The rapid strides made by industry in the last four decades are undoubtedly due to the positive influences exerted by the government. Stability in the interest rate structure over long periods despite inflationary pressures, uninterrupted provision of finance despite severe resource constraints and the establishment of liberal lending norms are some of the influences.

But though industry as a whole has reason to feel satisfied with the financial system (commercial banks and term lending institutions),there are serious grievances. The speed of credit delivery has slackened. Problems have arisen in the way adequacy of credit is assessed. The right amount of credit is often not made available and whatever is, doesn't come at the right time.

Industry has also come to view with apprehension the increasing proportion of shareholding collectively held by term lending and investment institutions. Industry fears these could use their shareholding clout to destabilise existing managements. Which is why the convertibility clause is strongly opposed. As is the more innocuous practice of appointing nominee directors on the board. (Some companies have begun shying away from institutional credit altogether because of these concerns.)

Impetus from FIs

In Japan and Germany — two countries which achieved rapid industrial growth in the post-war era — the impetus for growth came from the financial system. Banks and financial institutions owned major chunks of industry. There were instances when the banks used their shareholding clout to change managements but without affecting the relationship that had emerged between the financial system and industry.

Why then is it different here? The difference in India is due to the government. State ownership of the bulk of the financial system has served to identify it with the 'state'. Consequently what industry fears is the use of the system for political and partisan ends.

State control, whatever be its benefits, has without doubt brought about a dysfunctional uniformity, bureaucratisation of procedures and politicisation of business policies and practices. It is now time to re-examine state control of the financial system. This is precisely what the government seems to be implying when it talks of giving autonomy to the financial system. The government will decide on broad policies and then hold individual units in the system accountable for their implementation, and for the achievement of predetermined performance indices. More specifically, it will not intervene to confer or withdraw 'partronage' on industry.

Most public sector units — and this includes banks and institutions — are already autonomous on paper. What robs them of the autonomy they ostensibly have, however, is the pattern of government intervention. What is being attempted in the name of autonomy now is thus a change in the pattern of intervention through modifications in attitudes and procedures. But what we need now is a structural change.

Public participation

Perhaps we should first agree to drop "privatisation" and talk rather of "broad public participation". Public participation would bring about a greater concern for the commercial aspects of development. The need to declare dividends and maintain the quality of the asset portfolio would become a strong motivation. With the present stage of development of the financial system this is indeed a key factor.

Broad public participation would also enable the raising of resources which will improve the capital base — a factor neglected in public sector banking. The ensuing liberalisation of the financial system would then bring about greater competition and greater efficiency.

Reservations against privatisation of the financial system stem from the fear that it might drift into the hands of "family groups". Even though the 'family' sector has contributed substantially to the industrial development of the country, there can be little doubt that it is inconsistent with segments of the economy like the financial system.

Till such time as we are in a position to develop a truly professional private sector it would perhaps be useful to continue with a majority stake of the state in the financial system. I would suggest that government ownership of banks and institutions be brought down to 51 per cent and the rest of the shares be offered to the public. Before that can happen the institutions would have to clean up their portfolios and restructure through a process of mergers, wherever necessary.

To bring about a qualitative shift in the pattern of intervention, the government could transfer the shares to Reserve Bank of India. In matters such as the constitution of the board, appointment and removal of chief executives, and the implementation of socially oriented schemes, the Reserve Bank rather than the government should have a decisive say.

It is time the government loosened its control over the financial system so that a direct relationship between industry and the financial system can be established.

e author is chairman d managing director, dustrial Credit and vestment Corporation India

Criminals and colleagues

After the matter was raised in the Lok Sabha by some women MPs, the railway minister has decided to sack a member of the railway board (an officer of the rank of secretary) who was caught molesting a woman in a local medical college in New Delhi. All this has been reported in the press, but what is not generally known is that initially the railway board was divided on what to do.

A few members were reluctant to take action. These members belong to the engineering services the sector to which the accused also belongs. But, most of the non-engineering sector members demanded punitive measures. Right through this division of opinion, railway minister George Fernandes adopted a neutral position.



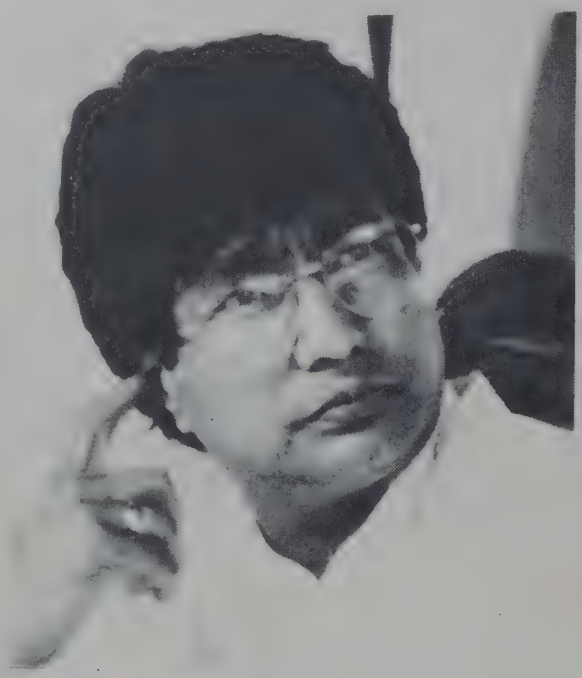
George Fernandes: on the fence

Clearly, senior government officers are swayed in their decisions by their allegiances rather than by the merits of a case. Interestingly, the members who recommended mild action did so despite the fact that the board has a detailed dossier of the misdoings of the officer.

Smart move

Ajit Singh again. If Devi Lal could have two officers on special duty (OSD), why can't Ajit Singh have at least one for himself? Unfortunately the department of personnel is not too keen on the idea.

Presently OSDs to ministers have been allowed only in the agriculture and aviation ministries and the PMO. But Ajit Singh is *hell-bent* on one. And that too one of his choice, G.S. Jaiyya, who was initially appointed as Singh's personal secretary. A request was sent to the department of personnel in January asking to elevate Jaiyya to the post of OSD, but the department rejected it in April.



Ajit Singh: bearding the bureaucrat

Singh, however, was not fazed. In July, he issued a press release stating that Jaiyya was functioning as an OSD in the industries ministry since January. This manoeuvre has taken the personnel department by surprise and it has now decided to take another look into the matter. Meanwhile, Jaiyya, thanks to his mentor's initiative, is working for Ajit Singh and not for the government.

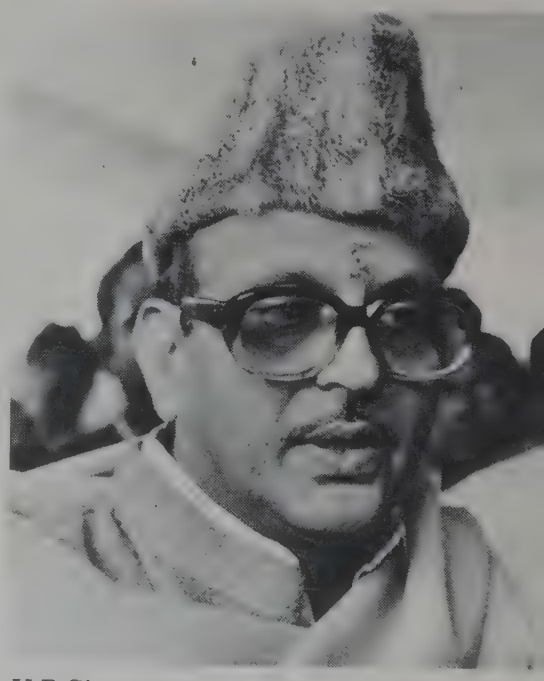
The services wrangle

What is irritating officers of the services which are to be delinked from the civil service examination is that the Union Public Service Commission had recommended that the Indian Railway Personnel Service (IRPS), Central Trade Service (CTS), Indian Information Service (IIS) and Indian Ordnance Factory Service (IOFS) should not be delinked, as officers from these services also qualify for the posts of additional secretaries. However, the Satishchandra committee set up to examine the issue of selection to the civil services had recommended delinking of a total of seven services, including these four. The final decision, however, can only be taken by the cabinet with whom the file is now pending.

Topless and inhibited

The Monopolies and Restrictive Tr Practices Commission (MRTPC) is without a full time chairman. The post been vacant since the last incumbent, Luthra, died last December. Early year, two members, S. R. Manchanda P.C. Agarwal retired, leaving only on handle the work load. The acting ch man, H. P. Gupta, is not having an time, either.

The post lies vacant because of a agreement on the choice of the candid between the prime minister V. P. Singh the industries minister, Ajit Singh un whose ministry the commission functi The prime minister wanted Shujatu Khan, a Delhi-based lawyer and mem of the Janata Dal's legal cell to take o Khan also had the backing of the ho minister, Mufti Mohammed Sayed Rashid Masood, minister of state health. But Ajit Singh put his foot do



V.P.Singh: playing favourites

saying that if it had to be a lawyer, t responsibility should be given to a leadi lawyer.

Meanwhile, after a writ was filed April in the Supreme Court, the gove ment was ordered to make the appoi ment by 25 June. But the governmen counsel asked for more time, and w granted breathing space till 7 July. T prime minister's office has sent out fo panel of names, but even two mont later, the government has yet to finali the appointment. Till it decides on a can date, an important institution remai headless and, therefore, constrained.



Zodiac for Hans Schmidt

The latest to capture the imagination of the Germans is not automobiles.

At 220 km/h, the Germans are sitting up and noticing the fastest moving fashions to hit the road. Zodiac. Exported to Europe's leading fashion houses. The international look of the season is now parked in India. Slip into gear. And you'll appreciate why Herr Schmidt now chooses to test drive the latest - Zodiac.

The soul of Europe. The spirit of Zodiac.

Z O D I A C

SHIRTS TROUSERS TIES SOCKS BELTS WALLETS HANDKERCHIEVES

Only 10% of Zodiac's total production is sold in India.



RHIZIC Z-

What do brand leaders prefer to dress up in?



INTERPUB/SIL/01-90

Flexible Packaging from SHARP.

Brand leaders can often be ntified as the most handsomely ssed products on a shop shelf. owcased in glossy outfits, they tivate, tempt and induce the nsumer to fall prey to their charms. t what few people know is that nind most of this glamorous ssing-up is one small name. Sharp.

True, Sharp l begin small. ith just moderate ources and facing ff competition, harp set out the long road success in 1980. st 10 years later it s emerged as a werful force in the ghly competitive ld of flexible ckaging. And the nchalant dismissal Sharp by mpetitors as 'just other fish in the nd' has quickly anged to astonishment and envy, as hrewd management and motivated rkforce have taken the company m strength to strength.



With a track record that reads e a well-run hurdle race, Sharp day, is a multi-crore packaging terprise poised on the threshold of a minant career in the field of flexible ckaging. Britannia biscuits, enky's chicken, Cadbury's 5-star r & Eclairs, Bournvita, Halls, icks cough drops... and many other leading brands rely on our dress sense to make a lasting impression.

Going beyond the service of packaging, is the Product Development team. Always analysing trends, probing the market, studying the product, innovating on existing ideas and working out a package deal that's functionally and economically viable.

Sharp has also set up a new unit with expertise from Reifenhauser of Germany to manufacture a whole range of packaging films. Like the unique one-twist film for sweets and toffees, the industrial stretch film, the household cling film and a micro – embossed hygiene film, the like of which isn't manufactured anywhere in Asia... not even in Japan!

So, does your product need to retain flavour, or must it have an extended shelf-life? Is your current packaging user-friendly, or does your consumer have to wrestle it open? Does your packaging need a facelift, or must it be toned down? Ask Sharp.

At Sharp, not only can we answer your questions, we can also provide the solutions to all of them.

SHARP INDUSTRIES LIMITED

Package deals – with a difference.

Office: 77, Nariman Bhavan, Nariman Point, Bombay-400 021. Tel.: 204 2497, 204 2498.
Tlx: 011-70049 MAYA IN/011-83179 SIL IN FAX: (22) 6733191.

NOTHING WORTHWHILE WAS EVER ACHIEVED WITHOUT SOMEONE STICKING OUT HIS NECK.



Do you know why our customers swear by us? Because we are infallible? Hardly. Like everybody else we make our share of mistakes. It's because we never let them down. What matters to us is the spirit of commitment and not the small type in a contract.

Take the case of the mudgun motor we designed and supplied to the Bokaro Steel Plant.

In 1977 one of our agents supplied 50 KW flame-proof motors to the Heavy Engineering Corporation. It was only by chance that we found out later that the motor had gone to the Bokaro Steel Plant for a very unusual operation: to replace Russian mudgun motors in blast furnaces. It was instantly clear to our engineers that our motors were unsuitable for the job.

We came right out and told the Bokaro people about this. We added that it would take us a few months to design a new motor for their mudgun. The Bokaro people agreed to the delay but revealed that there were no specs available.

It was like entering a maze blindfolded. These motors had never been manufactured in India. But we decided, nothing ventured, nothing gained. We said yes.

The whole essence of import substitution is a strong and perceptive engineering team with the patience and commitment to work for months, even years, till they design and manufacture a totally satisfactory replacement for the original.

What do mudgun motors do? During the manufacture of steel, molten metal flows out through the base of the blast furnace. Once the metal is drained, the outlet is sealed with wet clay fired from a distance by a mudgun. The wet clay hardens and forms a strong and secure lid. If the hole in the blast furnace is not totally sealed, the furnace itself will burn and bring steel production to a halt.

Our engineers realised that the motors would require an extremely high torque for short periods. They work with multiple starts and stops in high ambient temperatures. Thanks to the glutinous nature of the clay which they handle, they would have to withstand extended stalling conditions.

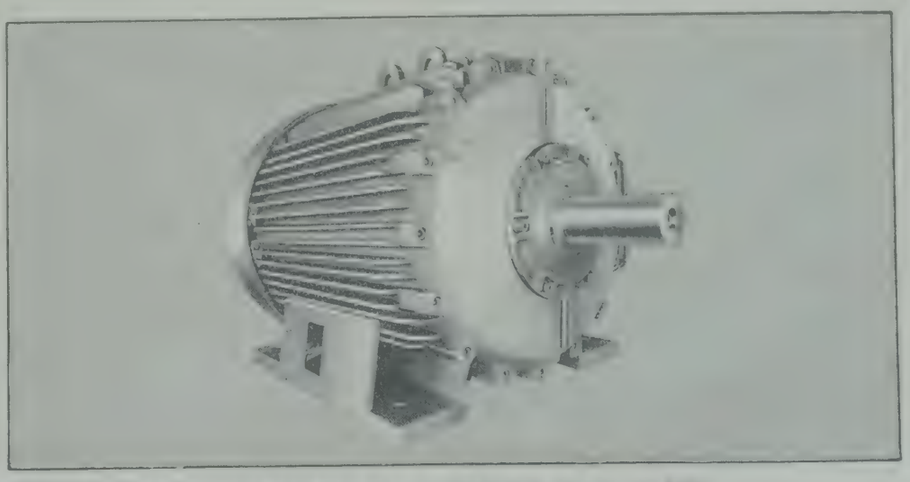
The KEC team returned home and in consultation with HEC determined new specifications for a 50 KW, 415 volts frame motor. Today our mudgun motors are in operation in several steel plants. And going great guns.

But Kirloskar Electric is more than the sum of all the firsts it has earned over the years. We are India's leading industrial electrics and electronics company in the private sector. We make some of the finest standard AC and DC drives, transformers, welding equipment and systems, motorised gear units, equipment for defence, electronic control equipment, CNCs, etc. But the one single reason why we are the prime movers in our field is because the centre of gravity at Kirloskar Electric is the customer. Our hi-tech, engineering expertise, superior quality and reliability are all geared to anticipate and respond to his needs.

KIRLOSKAR ELECTRIC CO. LTD.

INDUSTRIAL ELECTRICS AND ELECTRONICS

Regd. Office : Industrial Suburb, Rajajinagar, Bangalore-560 010.



When nobody else can do the job, Kirloskar Electric will.

Pratibha/KEC/265

ANZ Grindlays Bank plc

REGISTERED IN ENGLAND WITH LIMITED LIABILITY

INDIAN BRANCHES

FINANCIAL HIGHLIGHTS AS AT MARCH 31, 1990

BALANCE SHEET	(Rs. in Crores) AS AT 31/03/90	AS AT 31/03/89
ASSETS		
Cash and Bank balances	375.81	270.42
Investments	738.33	538.37
Loans and Advances (Net)	794.42	720.04
Bills Receivable and Constituents' Liabilities for Acceptances (Contra)	617.84	507.20
Premises and Equipment	35.43	31.64
Other Assets	286.66	194.03
TOTAL ASSETS	**2848.49**	**2261.70**
LIABILITIES		
Reserve Fund and other Reserves	31.23	20.35
Deposits and other accounts	1833.60	1492.16
Borrowings from other banking companies	227.43	158.89
Bills Payable	79.32	41.02
Bills for Collection and Acceptances (Contra)	617.84	507.20
Profit and Loss Account	59.07	42.08
TOTAL LIABILITIES	**2848.49**	**2261.70**

PROFIT AND LOSS ACCOUNT	(Rs. in Crores) YEAR ENDED 31/3/90 (12 months)	YEAR ENDED 31/3/89 (15 months)
INCOME		
Interest and Discount (Net)	227.94	229.25
Commission, Exchange and Brokerage	32.91	35.74
Net profit on sale of investments, land, premises and other assets	11.23	—
Other Income	0.56	0.61
TOTAL INCOME	**272.64**	**265.60**
EXPENDITURE		
Interest paid on deposits, borrowings, etc	141.94	136.46
Salaries and other staff costs	39.02	40.58
Other Operating Expenditure	56.34	63.80
TOTAL EXPENDITURE	**237.30**	**240.84**
PROFIT AFTER TAXATION	**35.34**	**24.76**

ANZ Grindlays Bank

The excise refund scandal

l last fortnight, the case of duty refunds as merely one of confusion arising out of nflicting court judgements. Since then, wever, the issue has assumed the dimenons of a scandal with charges being levled by opposition and even ruling party oliticians that certain manufacturing mpanies had been allowed to withdraw housands of crores of rupees" as excise funds and unjustly enrich themselves. nd even as uproarious scenes were witssed in the Lok Sabha — continuing for arly two hours — and at a meeting of ational Front MPs, the rumour mills were full cry in the capital.

There were allegations that the rends were made at the behest of no ss a personage than prime minister P. Singh and one of his close relaves, who is also a ruling party MP. he name of a senior legal officer of e government of India was also entioned in this connection. In the d, finance minister Madhu Dandate asserted in Parliament that no alpractices were involved in the afir, and the prime minister was cerinly in no way associated with it. We have nothing to hide," he said, ding that it was baseless to allege at the government had allowed venue amounting to thousands of ores of rupees to be squandered vay.

rliamentary probe demanded

l this did little to dispel the misgivgs of the opposition and demands ere made for a Parliamentary probe find out the persons responsible r the "unjust enrichment" of the anufacturers. This demand was rected by Dandavate. He did, however, order a stay of further payment refunds, the total quantum of hich, in the last three years, is estimated be less than Rs.1,300 crore.

The present controversy started with an der issued to all field officers by the Cenal Board of Excise and Customs (CBEC) 21 March 1990, followed by a circular on March, permitting them to decide rend claims for excess payment of excise cording to the law.

This was in supersession of instructions sued by a member of the CBEC in 1988 to llectors of central excise to reject claims refund where the assessee had passed on e burden (of excess payments) to the consumers. These instructions, which in turn superseded guidelines set up by the CBEC on 10 August 1981 to decide refund claims, were on the basis of a Bombay high court ruling of 6 July 1988

In that case, popularly known as the Roplas case, the court observed: "We are of the view that since the petitioners have already recovered from their customers the whole of the duty, they are not entitled to its refund. Their claim for such refund amounts to a fraud on consumers and society. Any indulgence in their favour will amount to helping them to enrich themselves unjustly."



Dandavate: "we have nothing to hide"

Says a senior official of the CBEC, "Our 1988 instructions followed from this case. All through we have not favoured refund of duties. This is because the benefit of refunds is gobbled up by manufacturers who cannot pass it on to consumers — whom they have excess charged. In fact, these consumers often cannot be traced. The Roplas judgement helped us to make up our mind."

But, the problem arose because there are a number of court judgements which run counter to the Roplas ruling, while there are several others on the lines of the Roplas judgement. According to Daya Sagar, a former collector of customs and central excise, "Different benches of the same court and different courts have interpreted the same judgements differently and there is no unanimity in the matter of applicability or otherwise of the doctrine of unjust enrichment in cases of refund of moneys/ taxes collected by the state illegally." And this is the crux of the whole problem: the point from which all confusion has arisen.

Before the circular of 28 March this year, collectors of central excise were unable to avoid this ticklish problem. On the one hand, they had instructions from the CBEC (on the basis of the Roplas case) not to pay refunds, and on the other, assessees flaunted court judgements which ruled in favour of payment of refunds. What compounded problems further was that the 1988 instructions of the CBEC were issued without consulting the law ministry — and thus did not have any legal sanction.

Matters moved towards a settlement last year, when the rejected refund claims (after the instructions of 1988) were admitted in appeal by the Central Excise Customs and Gold Control Appellate Tribunal (CEGAT). The tribunal ruled that the departmental officers did not enjoy the discretion to reject claims of refunds authorised by law on grounds which do not find specific mention in the law itself. This power was enjoyed by high courts and the Supreme Court.

Following this observation, the CBEC consulted the law ministry which opined that there was no proviso in the Central Excise Act by which departmental officers could reject claims on the grounds of unjust enrichment. It was on the basis of this opinion of the law ministry that the CBEC issued its circular of 28 March. It is believed that this circular was issued after a meeting of the whole board of CBEC.

However, even as the controversy rages, some sort of consensus seems to be emerging amongst experts that there should not be any universal rule for payment of refunds. It should be on a case to case basis, and given only when the manufacturer undertakes to pass on the benefit of the refunds to the consumers. There are some court judgements to this effect too.

■ KINGSHUK NAG

BRITANNIA INDUSTRIES LIMITED

CHAIRMAN'S SPEECH

HIGHLIGHTS

Company continues on high-growth path

Sales up by 17.9% and post-tax profits by 18.4%.

Bakery leadership further consolidated

Watershed growth in Exports of 24.4%

A new era of partnership with BSN Groupe of France

A new Corporate Mission and a new Logo



Speech delivered by **Mr. J.M. Rajan Pillai** Chairman, Britannia Industries Limited at the Seventy-first Annual General Meeting held at Calcutta on 5th September, 1990.

Ladies & Gentlemen

I am pleased to welcome you to this, the Seventy-first Annual General Meeting of the Company. The Company's Annual Report for the year 1989-90 has been mailed to all of you and you would have had an opportunity of studying it in detail.

THE YEAR

It is with great satisfaction that I stand here to review the results of the year ended 31st March, 1990. At Rs. 314.28 crores, the Company's turnover registered an impressive growth of 17.9% over the previous year on an annualised basis. Profit after tax at Rs. 9.76 crores marks an increase of 18.4% over the annualised figure of the previous year. On account of these excellent results, the Directors have recommended a final dividend of 15%. Together with the interim dividend of 9% announced earlier, the total dividend for the year adds up to 24% on the enlarged equity base following the Bonus Issue in the proportion of 1:2 made in January, 1990. The aggregate effective dividend for the year works out to 36% of the pre bonus equity capital as compared to 24% for the previous period on an annualised basis.

The flagship Bakery Division has maintained its leadership position in the marketplace. The product range has been further enriched with the introduction of new and popular brands. The Company's brand name is nationally perceived as the symbol of good taste and value for money. The Soya Division of the Company has established a strong presence in the market with a varied product range.

The Company has further accelerated the growth momentum of its Export Division which, this year, accounts for nearly 25% of the Company's turnover. You will agree that this is a landmark achievement in what is now the key sector of the Indian economy. The company has thus successfully lived up to its status of a Trading House.

The support divisions of the Company have provided all the necessary back-up and support required for the success and growth of the operating Divisions. The Research and Development Centre, now operating out of its new premises in Madras, is also making a significa contribution in developing new p as also in enriching the process ar control aspects.

NEW PARTNERS IN PROGRESS

The partnership with BSN Group France marks the beginning of a n in the annals of the Company. BSN Groupe, which is one of the leading food and beverage compa committed to a strong presence in through the Britannia Group whi largest biscuit manufacturing gro Asia/Pacific region.

Here, I would like to reiterate my statement in the Annual Report t corporate mission is to make the into India's largest and most effic food processing company. The lin BSN Groupe will provide a new e growth, both in domestic and exp markets.

THE ECONOMY

Let us now turn our attention to initiatives brought about by the n Government to speed up the pac industrial and economic growth. the enthusiasm of the Indian indu welcoming these initiatives as the necessary to harness the human a capital resources of the country. A a good monsoon, economic grow potential of reaching double digit as against the target of 5.5% set o Eighth Five Year Plan provided n unforeseen happens on the infras front which continues to be a bott It is only befitting that the Goverr making special efforts to improve infrastructural facilities. In view o there is perhaps a need for a high target for the economy. The mult effect of growth in agriculture and

erate adequate resources to realise overall growth.

economy takes off, with more s of the population experiencing the lown benefits of growth and ity, it is vital that the industrial ramework rewards efficiency and tivity rather than impose ceilings vth and manufacturing capacities. nfident that the Government will self seriously to the needs of the Industry in this respect and provide t-oriented policy conducive for growth. **Whilst the Bakery y is reserved for the small scale it is essential that the existing n and large scale units be allowed growth in volume. I feel that growth must be permitted and this e indexed to the percentage growth ountry's GNP or any such macro or. This would help the large and n units without affecting the s of the small sector. In this , I would also like to suggest that ntatives of the Government and y have a regular forum to interact hange views.**

mpany can note with satisfaction ficant contribution to the national y in three core and high priority z., agro-based food processing, ils and exports. The Company has seen itself as an integral part of development fabric and will e to invest in new initiatives in ng this cause.

lian consumer has come of age and ning increasingly quality conscious. when he would pick up just about g from the retailer are history. ow selective, discerning and ding and wants maximum value for ney. The Company has played a ing role in developing the narks for this kind of market-consumer interface. The Company prides itself in its ability to serve customers in all parts of the Country including the remote/far-flung and rural areas.

THE EMERGING GLOBAL SCENARIO

One does not have to be an intellectual to foresee the rapidly emerging interdependent global economic scenario. The walls dividing the economic boundaries of many countries have crumbled. The union of the two Germanies, the countdown towards the European Common Market, the developments in the Eastern Block are clear indicators of the direction of future international trade. The Indian economy will have to move very fast to catch up with the international pace of development. The largest bastion of democracy in the world has to acquire its rightful place in the economic comity of nations.

This can be achieved by making our system more responsive and result-oriented.
I share the hope of many industrial leaders that the Indian system will also change gears to be in the high growth lane in this decade of the Nineties.

NATION BUILDING

As you are aware, the Company has not restricted its interests merely to the domain of the market place but has been an active participant in the social life of the Country. The Britannia Amritraj Tennis Scheme is now reaping a rich harvest by bringing in international laurels to the country.
I would like to particularly mention the efforts of young Leander Paes who has achieved the highest level of success in world junior tennis by winning the Junior Wimbledon Championship for 1990.

THE TEAM

I would like you to join me in welcoming to the Board of Directors, Mr. P.M. Bonnet who has also been appointed as the Vice-Chairman of the Company, Mr. C. Le Gouis and Mr. J.E. Hardy of the BSN Groupe. All of them have a wealth of experience in the food processing industry and we are indeed grateful and privileged to have them on the Board of Directors.
I would also like to welcome to the Board, Mr. G.H. Makhija. As a whole-time Director, Mr. Makhija is the Executive Vice President and Chief Operating Officer of the Company and is responsible for all the operating Divisions of the Company.
During the year, Mr. R.K. Lal laid down office as Vice Chairman and Director of the Company after a long and valuable association.

You will agree with me that the dedicated team of Management, Staff and Workers led by Mr. S.K. Alagh deserves our appreciation for the excellent results.

As Shareholders of the Company, you can be confident of the outlook for the future. A strong track record, a world-class business partner and a committed and visionary team are the right combination for ensuring future success in the on-going businesses and also for the new plans on the drawing board.

Thank you very much for your presence this morning.

Note: This does not purport to be a record of the proceedings of the Annual General Meeting.

BRITANNIA

LML

A new confidence

In an effort to fight back, the company is resorting to major restructuring, the star attraction being the prestigious tie-up with Piaggio which will involve the collaborator actively in the management of the joint venture

The Kanpur-based LML Ltd is fighting back. Its Rs.225 crore turnover for 1989-90 notwithstanding, it has not been able to compete with market leader Bajaj Auto's rugged low cost models, and its Piaggio collaboration has so far been sans magic. Although the company has been doggedly producing over 100,000 scooters each year and even has plans to produce 200,000 units this year, its shareholders' net worth is down to a mere Rs.8 crore, thanks to loans of Rs.44 crore taken to maintain the unprofitable operations of its synthetic fibre subsidiaries. Also, the company is grossly undercapitalised and continues largely on the strength of the unrefunded customer advances to the tune of Rs.48 crore against scooter deliveries.

Over the past year, the company has sought to involve its technical collaborator, Piaggio, in a revival plan. This would have Piaggio shifting some of its production lines to LML's sister concern, Vespa Car Company Ltd, to produce 100,000 scooters a year, a cash injection of Rs.6.4 crore via the preferential allotment of the to-be-issued new equity shares at par, plus an active involvement of the management in the company. All government approvals for the above proposal are through and the final agreement is to be signed with Piaggio in Delhi in the first week of October.

Delinking synthetic fibres

A major component of restructuring is delinking synthetic fibres from the scooters division. Last year, while fibres contributed Rs.100 crore to turnover and Rs.4 crore to losses, the scooters division made a profit of Rs.2.8 crore. On 31 July, all three subsidiaries, LML Fibres, Anurag Synthetics and Prkati Synthetics were bought by co-founder Sitaram Singhania for Rs.71.30 crore. LML will not, however, get the amount in hand. Rs.30 crore of LML's liabilities are to be adjusted against this amount, while the rest will be owed to the company in the books. Sitaram's brothers, Deepak and Lalit, have, correspondingly, bought over Sitaram's 6.7 per cent equity at an undisclosed price.

The delinking of the fibres operations is the outcome of Piaggio's sustained pressure on the Singhania brothers to clean the slate and pave the way for a joint venture. The reorganisation of the company may augur well for the fibres division too as Sitaram will be able to concentrate on what he knows best, the fibres business.

With Sitaram Singhania out, a third Indian investor — the Singhanias' brother-in-law B.K. Shriya — is to invest Rs.2.5 crore in the preferential allocation of the new equity shares simultaneously with the Piaggio investment. The company intends to use the new funds to help increase its capacity from 200,000 to 300,000 scooters per year.

All told, then, the company will get a fresh cash injection of about Rs.9 crore. While this sounds like a pittance for a Rs.200 crore company in trouble, the attraction for LML's promoters is obviously the active involvement of the management of Piaggio in the restructured company.

Once the joint venture agreement is signed, LML will have two joint managing directors — one from each side. Though the agreement is yet to be signed and formal announcements of the two joint managing directors is awaited, it is expected that Deepak Singhania will be the Indian joint MD and Paolo Pelligrini, currently Piaggio's director of international operations, will assume charge on the Italian side. Five other Piaggio personnel will also join LML at Kanpur.

Motivating the existing team

Managerial responsibilities will be divided in such a way that Piaggio personnel will handle finances, quality control, engineering, production planning and exports while their Indian counterparts will concentrate on operations, human resource development and sales. Says Deepak Singhania, "Both sides will look after what each is best equipped for." As for Deepak, he has taken upon himself the task of motivating the existing team for better results. "So far, we hung on to our dear lives.



Deepak Singhania: expects performan without spoonfeeding

Now we must think in terms of growth w delegation of authority and responsibil I shall now expect performance with spoonfeeding from the top for eve thing," he says. Can shareholders exp good returns from the management? should they resign themselves to pre ential allotment for Piaggio B.K. Shriya at a price that is one-sixth the current market price, implying a pr transfer of over Rs.40 crore to the two n comers? The company's share price has ready soared by over Rs.30 in the last months crossing Rs.60 on 11 Septem Informed buyers have obviously been tively picking up shares in advance of prestigious sign up with Piaggio. Me while, financial institutions — interes primarily in protecting their loans Rs.100 crore to the company rather t in protecting shareholders — are expec to go along with the proposal.

Nevertheless, if the share price st high, shareholders may well benefit fi the deal in the longer term. It is also li that fresh injections of equity will called for once restructuring is underv

Meanwhile, major computerisation automation of production processes to duce assembly time and material cos being undertaken. Critical software be brought by Piaggio. According Deepak Singhania, the joint venture take some 18 months to indicate resu Of this, refurbishing the plant and its frastructure itself will take 12 month

An upbeat mood, shareholders may well contribute new funds, and a eign collaborator — what more could Indian entrepreneur ask for?

■ FEROZE AH

OCHE PRODUCTS

Trading to the rescue

ne of the last remaining FERA multinationals in pharmaceuticals, the ompany is now planning to reduce its foreign equity holding and get into rading. Price controls and rising costs have compelled the company to revamp s style

he managing director of Roche Products td, J.J. Vorsanger, exercises on a station-ry bicycle every morning. "This gives me ood practice for my work here. I'm always unning to stay in the same spot," he says iefully. But Vorsanger will have to make ome rapid moves to keep Roche afloat. nd indications are that the Basel-based wiss pharmaceutical firm, Roche Hold-ngs Ltd may reduce its holdings in its ndian subsidiary.

With the Swiss parent holding 74 er cent of the equity, Roche Prod-cts suffers from two main hand-raps: being a FERA company, it is ot allowed to diversify and with 90 er cent of its existing product range nder the Drugs (Price Control) Or-er, profitability is very low.

The company which is the largest roducer of bulk vitamin A in the ountry has limped along in the past, ith growth in sales from 1985 aver-ging only around 6.4 per cent. In the 5-month period ended March 1990, urnover was Rs. 56.33 crore, show-ng an annualised increase of 5.6 per ent over the previous year. Gross nd net profit slumped by 26 and 30 er cent respectively. Gross profit argins, already low at 7 per cent, ropped further to 5 per cent.

Competitors blame the parent ompany's blinkered and conserva-ive approach for the sorry state of ffairs. In spite of having the group's ourth largest plant, Roche Products ontributes a measly 0.38 per cent to he group's turnover. Now, it seems hat Roche Holdings has finally oken up to the needs of its Indian con-ern. Gerhard Wisser, the group's busi-ess planning manager and roubleshooter for Third World countries, s here to study the situation and organise major revamp. "No decision has been aken yet. We can reduce the parent com-any's holding to 51 per cent or to 40 per ent, or even to 26 per cent to retain only eto rights," explains M.D. Keni, finance irector.

According to observers, it is most likely that the foreign equity holding will be reduced to 40 per cent. Then, Roche will be able to shake off its FERA shackles, making it easier for them to get into activities like trading. Permission for increased production and for introducing new products will also be easier to obtain. However, industry observers feel that even after diluting, Roche may not be allowed to introduce newer products, given the number of Indian companies in the fray. "They missed the bus ten years ago," says an industry expert.



Vorsanger: "running to stay in the same spot"

In fact, the Swiss firm which had pioneered technology in vitamin A production had shied away from reducing its stake earlier because it was afraid of losing control over its exclusive technology. "Diluting equity is not our general policy, but conditions in India are singular. It is very difficult to function under FERA restrictions," says Wisser.

Ironically, it is the National Front government's policy of stricter price controls that has stirred the sluggish multinational. In 1987, vitamin A and C bulk drugs were decontrolled. After years of static prices, Roche benefited by hiking them by approximately 40 per cent. In 1988, sales went up by 27 per cent, gross and net profit increased by 50 and 40 per cent respectively over the previous year.

In 1989, however, the government doused the glimmer of hope in the company by recontrolling the price of vitamin A. In the past two years, raw material costs have also shot up by 10 per cent annually. And with a new wage agreement, employee costs have risen by 13 per cent annually.

After its dismal performance, Roche seems to desperately need a dose of the vitamins it specialises in manufacturing. One idea being considered is the use of funds generated on dilution of the parent company's equity to increase production of vitamin A. With a large installed capacity, Vorsanger hopes that increased production will result in economies of scale and help to offset the low prices.

Roche's accent, however, will be on trading. It has already made a small beginning in trading. The company has obtained permission from the government to import and market Rs.50-60 lakh worth of four life saving drugs. Trading margins at 20 per cent after payment of duties, will give it better returns than its manufacturing activities.

However, the crucial question is that given the company's track record, buyers may not be forthcoming for the available equity. Vorsanger, however, claims that he has already received offers for collaboration, though he would not divulge names. Voltas, who hold 9 per cent of the equity and is the main distributor for Roche Products, also refused to comment on its possible involvement.

Whether the new plans will make any difference to the company's fortunes is yet to be seen. An industry observer says, "As long as their products remain under price control, they have no hope." For Roche, one of the last FERA multinationals left in pharmaceuticals, moving out of the FERA net will at least give them more room for manoeuvre.

■ SUDESHNA SEN

ITC-TTL MERGER

The best option

The proposed merger of Tribeni Tissues with ITC will considerably expand the paper business of the ITC group

Last fortnight, the directors of ITC and Tribeni Tissues Ltd met in Delhi and finally agreed "in principle" to propose for merger after toying with the idea for nearly three years. After the merger, which may take at least six months, TTL (sales: Rs.65.03 crore) will become a division of ITC (gross sales: Rs.1,827 crore) and the former's shareholders will get ITC shares. The rate for the share swap will be set by S.B. Billimoria and Company, the well known Bombay-based firm of chartered accountants.

The question is: why is TTL a speciality paper manufacturing company in West Bengal, being merged with ITC, India's largest cigarette manufacturer? Both are owned by the UK-based British American Tobacco (BAT), which through its subsidiary BATCO, also of the UK, holds 51 per cent of TTL's and 31.2 per cent of ITC's equity. Worldwide, BAT moved out of the paper business around 1987 and tried to sell off its equity in TTL. Although there were several offers, including some from Indian companies, BAT decided to hold on, primarily because ITC depends largely on TTL's special papers for its cigarettes. A complementary reason for the merger, as Krishna Lal Chugh, vice-chairman of ITC and chairman of TTL, says, is: "An outsider's entry would have been detrimental to ITC's interest." The merger will also be a significant furtherance of ITC's diversification policy: to reduce its dependence on tobacco.

TTL's best bet

Even if BAT wanted to sell its holding in TTL, the tedious FERA formalities and the net earnings (after tax) would not have been worth the procedural hassles. But, for TTL it was vital to move out of the FERA (foreign holding above 40 per cent) in order to expand. So the merger, said Chugh, was the best option.

BAT may even benefit. According to Chugh, after the merger, BAT's shareholding will rise by some points but remain below 40 per cent. This means the exchange of shares will be around 1:1. On this basis, BAT's shareholding in ITC is likely to go up to 33.3 per cent from the present 31.2 per cent. Since ITC pays higher dividend than TTL, BAT's dividend earnings will naturally rise. And although ITC is much bigger than TTL (more than ten times its turnover), its shareholders too may not have much to complain even if TTL shares are exchanged at 1:1. Book value and earnings per share of the merged company, on the basis of last year's workings, will more or less remain unchanged (*see table*). Financial institutes too may not object to a 1:1 exchange as they hold 31 per cent of TTL.

The biggest beneficiary, of course, will be TTL. The expectation of a favourable exchange rate has already pushed up its share price from Rs.122 to Rs.155 in the last week. TTL started performing better ever since ITC took over the management of the company in mid-1988. Two of ITC's key men from Bhadrachalam Paperboards (which was promoted by ITC 10 years ago), Chugh and R.P. Agarwal, were inducted into TTL as chairman and managing director, respectively.

The result was dramatic: a sharp turnaround in performance in just two years. Till 1988-89 TTL's sales had stagnated for a few years at around Rs.42 crore while profit after tax had dipped to only Rs.1 crore in 1987. In 1989-90, sales (Rs.65 crore) went up by 41 per cent and net profit, at Rs.4.78 crore, was up by 190 per cent. Of course, the shortage in the paper market did help better price realisati but the new management improved p formance and cut costs significantly.

More money for paper

Hopefully, the merger will hasten TT growth. The 45-year-old company's pa and pulp plants at Tribeni, in W Bengal's Hooghly district, need large vestments to modernise and expand. W installed capacities of 11,000 tonnes pulp and 13,500 tonnes for paper a ye TTL is one of the smaller units in the dustry. Now approval to expand its pa capacity to 33,000 tonnes has b granted. This and the modernisation p gramme will cost nearly Rs.100 crore. its own, TTL would have found it tremely difficult to arrange for such large sum. For ITC, a financially stro



Chugh: everyone benefits

company with large surplus funds (Rs.1 crore), this investment will be easy.

Moreover, TTL's expansion plans, fac tated by the merger, are very timely. The is a shortage in the paper market a prices are soaring. The situation is l likely to change in the next decade as gap between demand and supply is lik to widen.

For technical and marketing assista too, TTL will benefit from the merger. T ITC group's Bhadrachalam Paperboa (sales: Rs.126 crore and producti 83,000 tonnes) is today one of the m profitable paper companies in the co try. Bhadrachalam is already helping m ket TTL products. "With the merger, two companies will work much m closely, which will benefit both," s Chugh. Clearly, the merger is likely prove Chugh right.

■ DILIP MAITRA with KAVERI MIT

Before and after *(Rs. crore)*

	ITC	TTL	ITC† (after the merger)
	(Year ended March 1990)		
Net sales	676.88	58.91	735.79
Net block	182.44	16.41	198.85
Net profit	52.62	4.78	57.40
Equity	66.34	7.95	74.29
Reserves	152.27	10.38	162.65
Networth	218.61	18.33	236.94
Book value (Rs./share)	33*	23	32
Earnings	8*	6	7.7
Market price (Sept.12)	127	155	NA

* After 1:1 bonus issue

† On the basis of last year's performance assuming a 1:1 share exchange ratio

The Leela's New Conversation Piece.



Here's good news for businessmen. The Leela's new meeting rooms, housed in the newly opened Tower are now available for conferences. They're everything you wanted in corporate luxury, and more. Hi-tech in design and concept, but with the irresistible warmth of The Leela.

A meeting here entitles you to special privileges, including the 24-hour non-stop business centre.

For those, who'd like to combine business with pleasure, The Leela Beach Goa's meeting rooms,opening October 1990, are a dream come true.

For reservations, call The Leela, Tel: 6363636 Ext: 333
Fax: 6360606/6341865 Tlx: 011-79236/79241.

THE LEELA BEACH
GOA
A KEMPINSKI RESORT

Business Class at its best.

THE LEELA
Kempinski Bombay

THE EDGE/B/90/LK/128

PROCTER & GAMBLE

Beyond the *khich-khich* image

Derided as highly overrated and unduly cautious by competitors, the company has set itself highly ambitious goals. Will the affiliation with the global consumer product and marketing colossus take this company to leadership in the Indian market too?

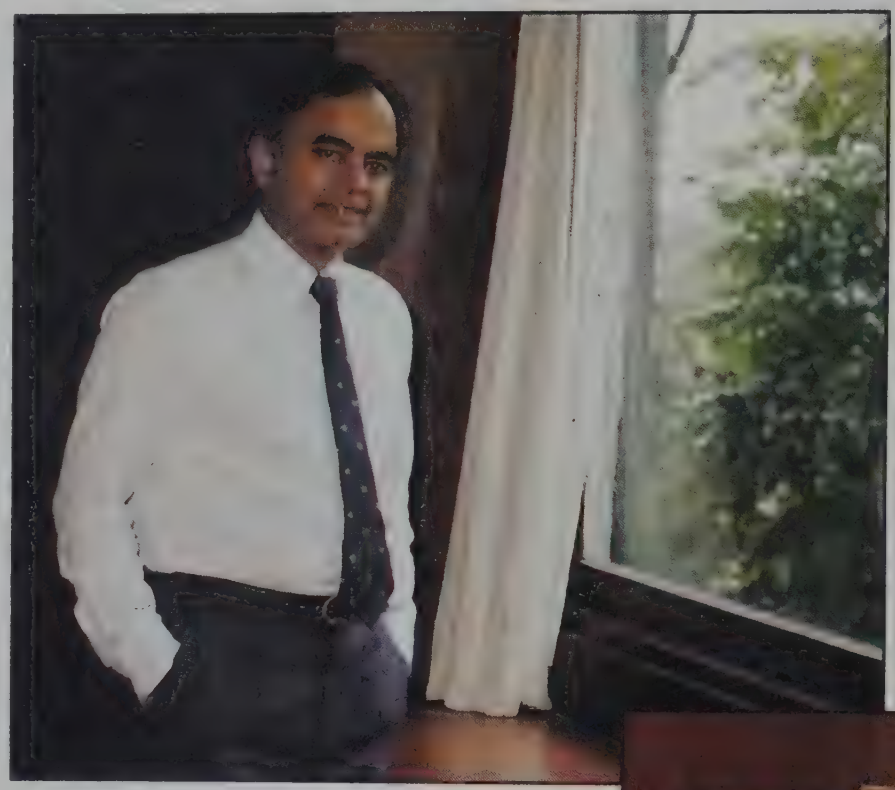
Despite what its name might suggest Procter & Gamble (India) Ltd doesn't believe in taking chances, not even to belie its sluggish image. This cautious attitude, coupled with another P&G trait — secrecy about its plans — makes this company as impregnable to outsiders as a Swiss bank.

At one level, P&G is high-profile. It is a fairly lavish media-spender (Rs.8.71 crore in 1988-89) which ensures for its products a strong brand identity and a presence in the market place. Undoubtedly, an articulate, image-conscious managing director like Harvard-educated Gurcharan Das helps tremendously. Whether it is propagating the 51-per cent cause or his own creative pursuits — Das recently published his first novel — he has the knack of drawing public attention. All this makes for a corporate aura that attracts about 35 graduates representing the cream of budding managerial talent from the IIM campuses each year.

However, over the last five years, the P&G magic appears to have been waning. The company remains among the top five during placement season, but observers say that employee turnover, particularly at lower levels, has risen. The company too admits to an attrition rate of as much as 14 per cent. Other marketing oriented companies and P&G's potential competitors deride it as a highly overrated organisation with "more sound than substance".

Margins under pressure

The recently announced financial results for the year ended June 1990 are a let down. Turnover may have doubled from Rs.32.68 crore in 1985 to Rs.75.27 crore but the base was modest and it was only in 1988 that it touched the Rs.50 crore mark. Profit after tax which jumped from Rs.2 crore to Rs.6.25 crore in 1989 has dipped to Rs.5.6 crore in 1990. Pretax profit has plummeted from Rs.8.02 crore in the previous year to Rs.5.08 crore in 1990. Sales margins have been under pressure. Net profit margin, which was at 9.55 per cent in 1989, has declined to about 7.4 per cent on account of increasing competition and rising raw material costs. The company continues to be very sound financially on account of small borrowings; the interest burden has never crossed Rs.1 crore in the last five years and has accounted for an average of a negligible 8 per cent of the operating profits in the same period. However, this too should go up once P&G issues debenture (both convertible and non-convertible) aggregating Rs.24 crore.



Das: major thrust on consumer products

Yet Das is still talking in terms of a quantum jump. The sales target for 1995: Rs.500 crore with a major thrust on new consumer products and exports. Das has it all mapped out. The base business of respiratory remedies (the Vicks range) will account for 30 per cent (as against 80 per cent today), exports will contribute Rs.125 crore and new products will account for the balance Rs.230 crore.

P&G watchers feel that this is a very t order. In 1985, when the Ohio-based co sumer foods giant took over Richards Vicks Inc, the Indian company Richards Hindustan Ltd underwent an ident change to Procter and Gamble (Indi Ltd. This affiliation gave the company i stant access to a vast portfolio of 41 co sumer product categories and truly glob brands such as Camay soap, Tide dete gent, Crest toothpaste, Pampers diape and Head and Shoulders shampoo market leaders all. The competition we on red alert and the market awaited meg launches with bated breath.

Not a whisper

And what happened? Precisely nothin There was not a wh per from P&G megabrand bask until this year wh the compa launched its Whisp sanitary pads in d rect combat wi market supre Johnson & Johns (share of the Rs.3 crore market: 65 p cent). Why did t Indian consum have to wait five lo years for the fir P&G product?

Das says the pa is in step with the



collaborator's. Its P&G thoroughness an their belief of doing it right rather tha quickly, that makes them cautious. " takes time to adapt technology and unde stand the consumer as deeply as we do Das explains.

In Whisper's case, it took two years product development and market re search before the Bangalore launch Bharat V. Patel, executive vice-presiden paper and 'other' categories, claims tha the product has captured 13 per cent the market in that city. The Whispe

aunch has cost the company over Rs.1 rore which P&G sees as an investment in rand building.

The value addition that technology pro-ides — the super absorbent 'dri-weave' opsheet in Whisper's case — offsets its igher price. Herein lies another en-renched P&G belief: that consumers are illing to pay more for a better product. "If ve succeed in making world class prod-cts that make value sense, we could really o gangbusters," predicts Patel.

Mass volume markets — such as soaps, oothpaste and detergent — are ex-remely price sensitive, points out a sea-oned marketeer from a company that nanufactures all three. Indigenous ingre-lients, though economical, don't give vorld class quality. "Can a technological iifference be achieved without higher in-out costs?" he asks.

High trial rate

These are the challenges that P&G's re-earchers have been grappling with of ate. In the Rs.267-crore toilet soap mar-et, for example, the premium segment, vhich recorded a handsome 20 per cent rowth last year, is ripe for entry. Weak rand loyalty guarantees a high trial rate — new introductions in the past three ears have picked up over 10 per cent mar-et share. A brand like Camay could take a enerous swipe at Hindustan Lever's Liril nd Lux International as also Godrej's Cinthol and Fresca. However, Camay's vi-al raw material — tallow — is banned in ndia and whether substitute oils can pro-luce an international quality soap in the Rs.6 price range is questionable.

As for the toothpaste market, the domi-nant brand — Colgate — has 70 per cent narket share — while a host of others nave flogged every possible USP for toothpaste.

A similar scenario confronts Tide deter-gent. In this post-Nirma era, it is clearly the low priced segment that is on the up-swing. A new premium detergent would be pitched against Surf, another formidable rival. Also, while Tide and Crest are global names, brand awareness in India is low.

To break into such well-guarded turf re-quires war-like strategies. P&G's sales and marketing team, in fact, is like an army preparing for battle. According to J. Ka-pur, head of the sales organisation, distri-bution logistics — the key to success in these segments — have all been worked out. Four years ago, drug stores accounted for 50 per cent of sales. Today, Vicks is available in 800,000 outlets; but competi-tors still feel P&G is nowhere near the cov-erage and penetration of Hindustan Lever or Colgate. "Rural markets is where the action is these days and P&G's distribu-tion hasn't reached that level yet," com-ments a multinational marketing manager. But Kapur exudes confidence. "We're ready," he says cryptically, with no further details.

What the company is more than willing to talk about is its plans for exports. There's been quantum growth on this front: from Rs.77 lakh in 1985-86 to an es-timated Rs.10 crore last year (1989-90). But the growth has slowed down from 61 per cent in 1989 to 18 per cent. Curiously, the bulk of exports comprises products that P&G does not yet sell in the domestic market. Crest toothpaste and Alo deter-gent are shipped to the USSR, a country that accounts for 65 per cent of the com-pany's export turnover.

Once India is developed into a low-cost sourcing base for P&G worldwide, USSR's share will come down to a fourth accord-ing to T.V. Krishnamurthy, export man-ager. Exports make sense on two counts. On the manufacturing front it gives the company leeway to import certain essen-tial raw materials (like the dri-weave net-ting) and equipment, explains A.K. Gupta, vice-president, manufacturing. Export earnings also bring down tax, which has dropped sharply from 66 per cent in 1986 to 22 per cent in 1989.

The great buzzword today is 'ayurveda'. Das claims that P&G is more supportive and understanding than Richardson Vicks ever was. The first international product to emerge from P&G's computerised Ayur-vedic Research Centre at Thane, Bombay, is Vicks Vaposyrup. This children's cough remedy is in the process of being regis-tered in 11 countries, including the US, and has undergone a series of preclinical and clinical tests and efficacy studies.

Market shares up

Despite the preoccupation with the recent and forthcoming product launches, the established business is being expanded with vigour. Arun Chogle, category man-ager, reports that market shares have im-proved all round. Clearasil cleanser and Oil of Olay cream (both brand exten-sions) were launched last year. Mediker anti-lice shampoo, introduced in 1988, has 5 per cent of the shampoo market.

Segments which are open for a better brand are shampoos and disposable dia-pers. With Head and Shoulders and Pam-pers market leadership seems achievable, of course, if they are priced right. Though, neither of these products could give the kind of volume growth P&G is looking for. A product launch is scheduled next month and market intelligence reports that a detergent could be in the offing.

With this P&G will move away from its "khich-khich" image. The quantum goal has been set; but more than numbers it spells out what Das calls the Big Vision. With P&G's top management rests the re-sponsibility of ensuring that this doesn't remain just another impossible dream.

■ NAAZNEEN KARMALI

"We are willing to invest

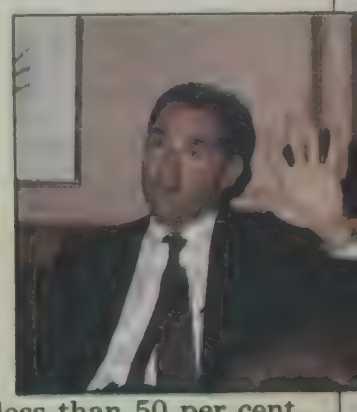
John Pepper, *president of P&G International, was in Bombay recently getting acquainted with the Indian operations*

On P&G India's slow progress since 1986.

We didn't have a schedule for our launches. It was a question of getting to work together. Our first emphasis is always on building established businesses. In new categories there is still great learning to be done — about the consumers, the competitive structure and distribution systems. We need to be sure the products are right and take them one by one.

On India as a sourcing base.

A lot will depend on the quality and efficiency of operations here. In transnational servicing India could be ahead of the pack as a low cost, quality producer.



On the 40 per cent restriction.

We'll live with it if we have to. India is the only place in the world where we have less than 50 per cent equity. On our part, we are willing to invest more.

On other barriers to growth.

Take the excise tax on shampoos. It's based on an old view of what luxuries are. Is cleaning your hair a luxury? But I'm sure this will change with time. We're not just looking at next quarter's earnings but at the long term. This isn't a 12-month or 24-month issue.

For the potential to weigh as much as 60 tons to the possibility of weighing 0.01 mg, organisations like B.A.R.C., Bajaj, Cadburys, Cipla, Colgate, Dr. Beck, Glaxo, Godrej, L&T, Parle, Reserve Bank, Tata, Tribhuvandas Bhimji Zaveri ··· depend on

ATCO®

THE TRUTH BY WEIGHT



▲ ELECTRONIC WEIGHING & COUNTING SCALES WITH DUAL DISPLAY

ATCO INDUSTRIES LIMITED

ENGINEERING □ ELECTRONIC WEIGHING □ INSTRUMENTATION

HEAD OFFICE: 6A, Lalwani Industrial Estate, 14, G.D. Ambekar Road, Wadala, Bombay - 400 031. ✆ 4121295 □ 4121298 □ 4121982 □ 4122258
Telex: 011 - 73944 ATCO IN □ Fax : 022 4140250

BRANCHES : ■ B-5/158 Safdarjung Enclave, 1st Floor, New Delhi - 110 029. ✆ 608749 ■ 41, T. Nagar, Ramanathapuram Post, Coimbatore - 641 045. ■ Door No. 45, I Main Road, C.I.T. Nagar, Nandanam, Madras - 600 035. ✆ 455912, □ 451986

TANDARD CHARTERED BANK

A new awakening

Following the installation of its first Indian CEO, the oldest foreign bank in India is astir with new ideas and schemes. It is now all set to renovate the staid image it had acquired in recent years when it had taken a beating from the competition

n April this year Peshi Nat, a career anker, moved into the CEO's chambers at he imposing headquarters of the Standard hartered Bank in south Bombay. The 49-ear-old, bearded Nat thus made history wice over at this vintage bank. In 1959, resh with an economics degree from De-i's St. Stephen's college, he was the first ndian officer trainee to join the bank, then till a preserve of the British. And 31 years ater he had become the first Indian to head s operations in this country.

This history-making aspect of Nat's pro-notion was, however, hardly noticed at the ank. His appointment at this juncture was ignificant for more important reasons. tanchart is the oldest foreign bank oper-ting in the country, having been here since 858. But it had clearly missed the bus in xploiting the opportunities that suddenly pened up for multinational banks in India n the eighties. It had, over the years, ac-uired the image of a staid player in a mar-et dominated by aggressive competitors. nd something drastic was needed to help t catch up. As Nat himself told *Busines ndia* then, "A lack of direction, a lack of focus and the absence of a clearer perception of business opportunities has left the bank behind."

Sweeping restructuring

Nat's first major task as CEO, not surprisingly, was to oversee the execution of a sweeping 15-week long restructuring of the bank's management, designed and recommended by a team of Singapore-based consultants. This operation, he says, will help refocus the bank's priorities and make it more "market driven". But will it work? In 1983, the bank, under an earlier CEO had undertaken a similar restructuring. However, that seems to have had very little impact on the bank's performance in the last six years. Historical handicaps like overstaffing and too much control exercised by its London international headquarters seem to have ensured its failure.

During 1988-89, for instance, Grindlays Bank, which with its 56 branches is Stanchart's major competitor in terms of size, had a deposit base of Rs.1,390 crore. Citibank, with a mere six branches, had deposits worth Rs.1,267 crore. Hongkong Bank with 20 branches collected deposits of Rs.769 crore. And Stanchart, with its 24 branches, had deposits of only Rs.600 crore. On advances too, Stanchart was a poor fifth behind Grindlays, Citibank, Hongkong and Bank of America. Ranked by net profits as well, Stanchart was last among the big six.

No doubt Stanchart's profits last year jumped four-fold to Rs.28 crore. But, as Nat himself says, it is no way indicative of a great performance. "We have had the benefit of tax exemption because of the bad debts write-offs," he says. The bank last year converted its earlier contingent liabilities against bad debts of Rs.10 crore into a charge against profits. It thereby added Rs.6.5 crore to post-tax profits (the tax rate on foreign banks averaging 65 per cent).



Nevertheless, Nat is being modest. Last year was definitely one of the better years for Stanchart. The increase in pre-tax profit of Rs.70 crore came from a Rs.16-crore jump in interest income and a Rs.23-crore increase in revenue. The bank's revenue, as a percentage of its total assets, has gone up from 4.33 per cent in 1988-89 to 5.25 per cent this year. But critics say this is still not good enough for a bank like Stanchart.

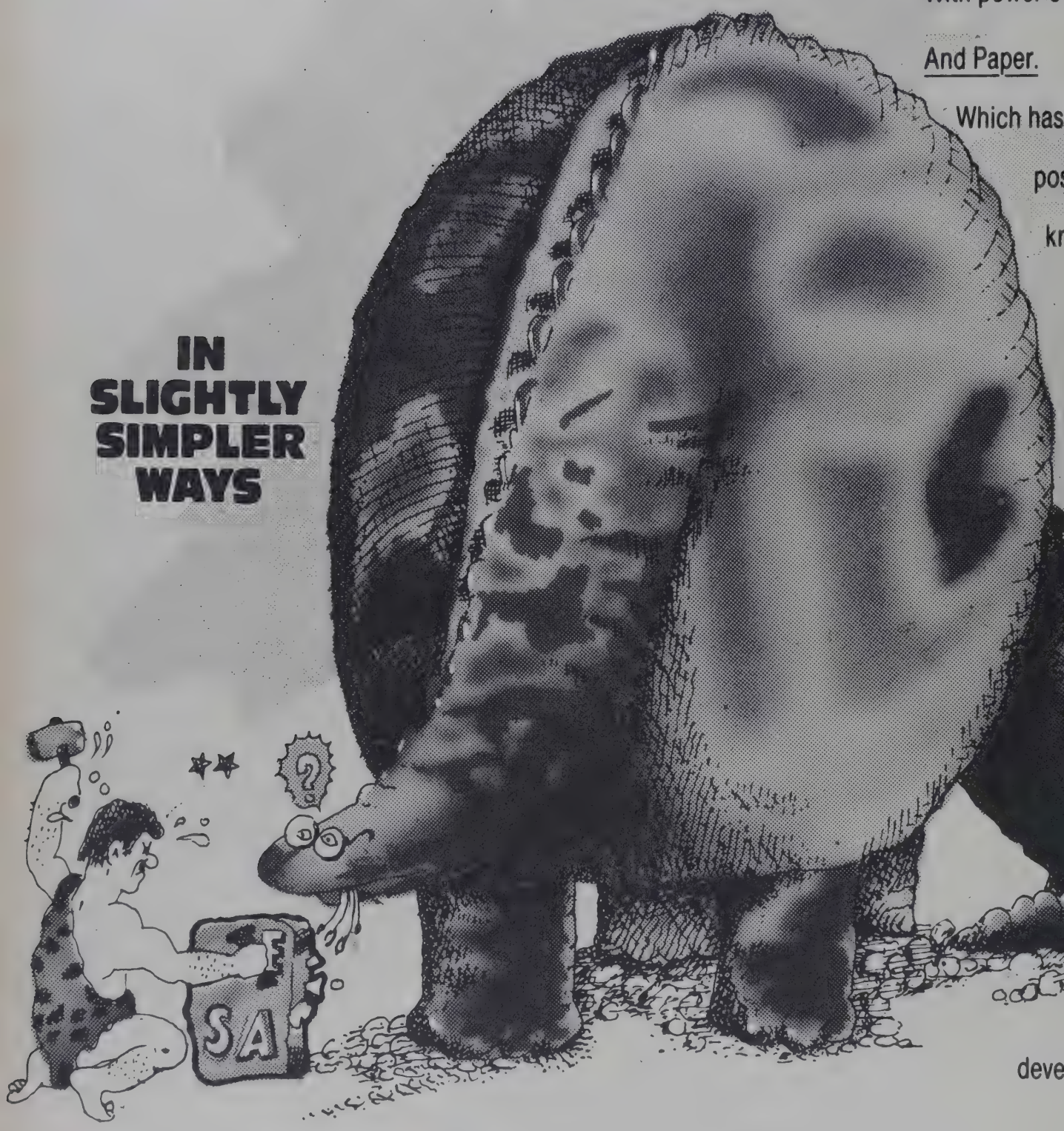
Caretaker executives

The problems of Stanchart range from "confusion at the head office" to the quality of executives who are "mid-career specialists". Unlike the other foreign banks, who pride themselves on their imported management styles, few employees of Stanchart (India) can boast of exposure even to its head office operations in London. Stan-



Stanchart's Bombay headquarters and (inset) *Nat: will he make history a third time?*

JK PAPER CARRIES ON THE MAGIC OF COMMUNICATIO



IN SLIGHTLY SIMPLER WAYS

Communication

The magic which has made man the undisputed master of the Universe. With power over beast and nature.

And Paper.

Which has made communication possible. In the spread of knowledge. In business, social contact or packaging essentials.

JK Paper.

In its own way carries on this magic of communication. In more ways than one. Through its range of papers. Each specifically developed for your needs.

JAYKAY

J K PAPER
A DIVISION OF
STRAW PRODUCTS LTD.

JK BOND • JK AIRMAIL • JK POSTER • JK SUPER COPIER • JK COTE PAPER & BOARDS • JK CREAMWOVE • JK MAPLITHO

FS Advertising/JKP/400

chart's executives are between 40 and 45 years old, against 35 in other foreign banks. While age is not a negative factor by itself, coupled with hierarchy, it had become a major impediment at Stanchart. No wonder, Stanchart executives were perceived more as "caretakers" than go-getters.

There were two additional hitches. Stanchart was unusually labour intensive, particularly on the clerical side. And it also suffered from low productivity. Its labour cost as a proportion of total income, at 19.7 per cent in 1988-89, was thrice that of Bank of America.

Although the clerks-to-officers ratio was brought down from 10:1 in 1985 to 5:1 in 1989, thereby partly alleviating the problem of overstaffing, its per employee advances and deposits were a meagre Rs. 15 lakh and Rs.22 lakh respectively. Bank of America boasted business of Rs.1.10 crore in deposits and Rs.1.36 crore in advances per employee.

With the present restructuring attempt, says Nat, in addition to the earlier geographic division, the business of the bank will be further divided functionally: corporate, personal, merchant banking, treasury and financial institutions. These will be supported by human resource development, operations, financial control and inspection. Naturally the reporting lines will be functional rather than regional. Says Nat, "This will give Stanchart a pan-Indian view of the business opportunities."

"Greater accountability"

This reorganising is in line with the way that several other foreign banks are organised. Recently Grindlays too reorganised itself in a similar manner. The executives too have been redesignated as executive directors. While to the outside world this only means old wine in new bottles, for Nat, it will help give Stanchart employees a "greater responsibility, greater delegation and greater accountability, aimed at being closer to customers and bringing about greater efficiency".

To achieve greater efficiency, Stanchart plans to spend more on better quality manpower, simultaneously increasing its investment in computerisation. It plans to recruit about 100 young MBAs and CAs, who will bring in a whiff of competitiveness. And to keep its manpower under control, Stanchart wants to provide a convenient and attractive exit route to those who do not or cannot adjust themselves to the new environment. It is therefore negotiating a voluntary retirement scheme with its unions. The ultimate objective of restructuring is, according to Nat, "making the bank more market driven and bringing it closer to the customer".



The Stanchart team (Nat is seated left): geared up for the challenges ahead

"But this is a daunting task," comments R. Sankaran, who, till 1989, headed Stanchart's merchant banking division. Nat, according to those who know, has the organisational ability to bring in the necessary change. But does he have the determination to force it through, they ask. Because, bringing in change of this magnitude needs boldness as well as hard-headedness.

Past experience suggests a difficult task ahead of Nat. In 1985, for instance, R.J. Guthrie, the then CEO, tried to bring in fresh talent and to give the bank a much needed focus in business. He recruited young professionals as officers. But those high flyers could never really interface with the older, system oriented, existing staff. The process of change slowed down as a result.

Zarire Screwvalla, executive director (ED), human resources, states that, "the bank was too class conscious". Adds another senior executive, "The bank was run more like an administrative centre rather than a profit centre." Admits Nat, "We lacked direction and there was an absence of a clear perception of available business opportunities."

Head office in disarray

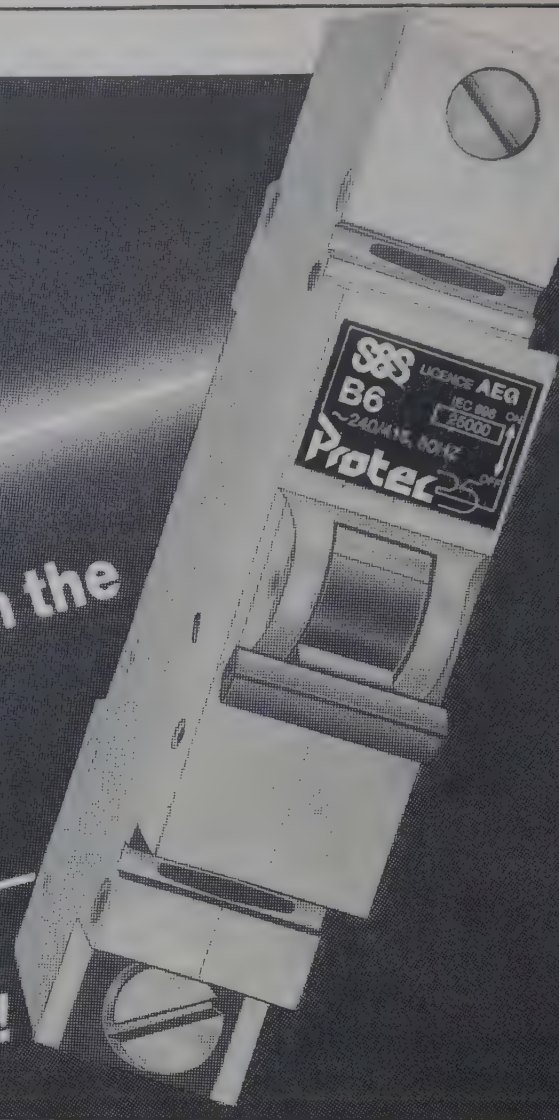
The bank had another major problem — the uncertainty prevailing at its international headquarters in London. A takeover bid by Lloyds Bank in 1986 had left things in disarray at Standard Chartered there, and the repercussions were felt by its subsidiaries worldwide. In fact, in the mid-eighties, when India's economy was opening up, India was not even on Stanchart's priority list. Naturally in banking circles, Stanchart's second attempt at change is looked upon with some scepticism.

This lack of understanding at Stanchart's London headquarters of the changing market conditions in India affected the bank in many ways. The credit sanctioning limits of the CEO in India should have grown with the growing Indian economy. These limits were ridiculously small — one-tenth the limits allowed to other foreign banks in India. So, almost every large credit proposal was referred to the head office in London. This meant a delay for the clients and, frequently, rejections in the absence of a proper understanding of the Indian business climate, as against an almost immediate sanction by the other foreign banks.

So while its competitors, especially the American banks, were reacting to the liberalised market conditions in India by changing their marketing strategies and becoming more customer oriented, Stanchart not unlike — the nationalised banks — was too slow to respond. In the corporate finance business, for instance, it had some of the oldest clients who have over time risen to become giants. This advantage came to Stanchart from its being the only foreign bank historically, apart from Grindlays, to have branches in India. It still has blue chip clients like L&T and Hindustan Petroleum. Unfortunately, many of its former large clients have moved to other banks, while it has been slow in getting new ones. As the corporate banking head of Stanchart, David Gardiner, puts it, "The

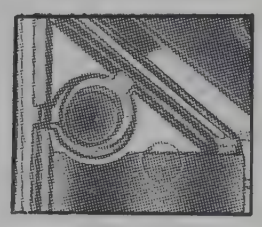
Why use MCBs that let through high currents...

When ours break their power with the fastest quenching action!



Super Breaker!

Protec 25 MCBs have a blow out magnetic system to transfer the arc to the arc chute assembly without any delay. This feature limits the short circuit current to such an extent that the let through energy is considerably less than the requirements of energy limiting class 3 of VDE 0641 & IEC 898-1987.

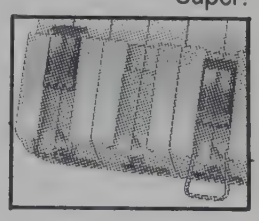


Super!

Protec 25 MCB, with the highest short circuit breaking capacity – 25 KA – in India, has a newly developed lift input box terminal. It is suitable for busbars as well as cable connection upto 35 mm^2 without using additional links – to save you both time and money. The dolly mounted on a unique conical boss leads to an exceptionally smooth operation and therefore a longer service life.

Super!

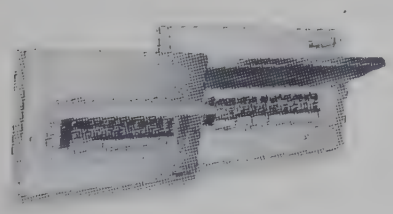
There is a unique spring clip snapping device for fixing onto the DIN Rail. Deep serrations allow cables to be fixed firmly on the terminals – preventing fire hazards. It's finger and hand-touch safe too!



Super!

Protec 25 breakers with the latest rationalised 'B' and 'C' characteristics are perfect for industrial/commercial/domestic applications. And ours is the only MCB certified to M9 of IS-8828 for the entire range.

Super!



A hi-tech MCB deserves a hi-tech housing. That's why we make Distribution Boards and Accessories to match the MCBs and their quality can be described in just one word –

Super!

Now, if you are convinced that the only way to get all these advantages is by specifying Protec 25, guess what we'd say?

"Super!"

It would be super if you could send me more details on Protec 25 – the third generation breaker.

Name: .....

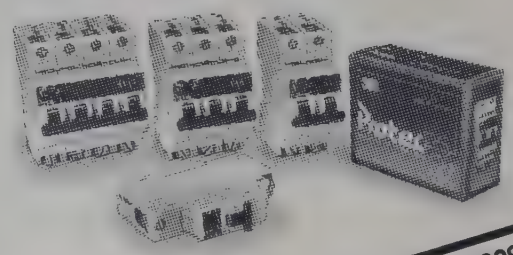
Designation: .....

Co. represented: .....

Address: .....

..... Tel. .....

Cut and mail to:
The Chief Marketing Manager
S & S POWER SWITCHGEAR LIMITED
99, Royapettah High Road, Madras 600 004.
Ph: 842391, 843285, 842424.



In exclusive collaboration with AEG, West Germany

Certified to M9 of IS-8828 for the entire range

S&S Protec 25

MINIATURE CIRCUIT BREAKERS

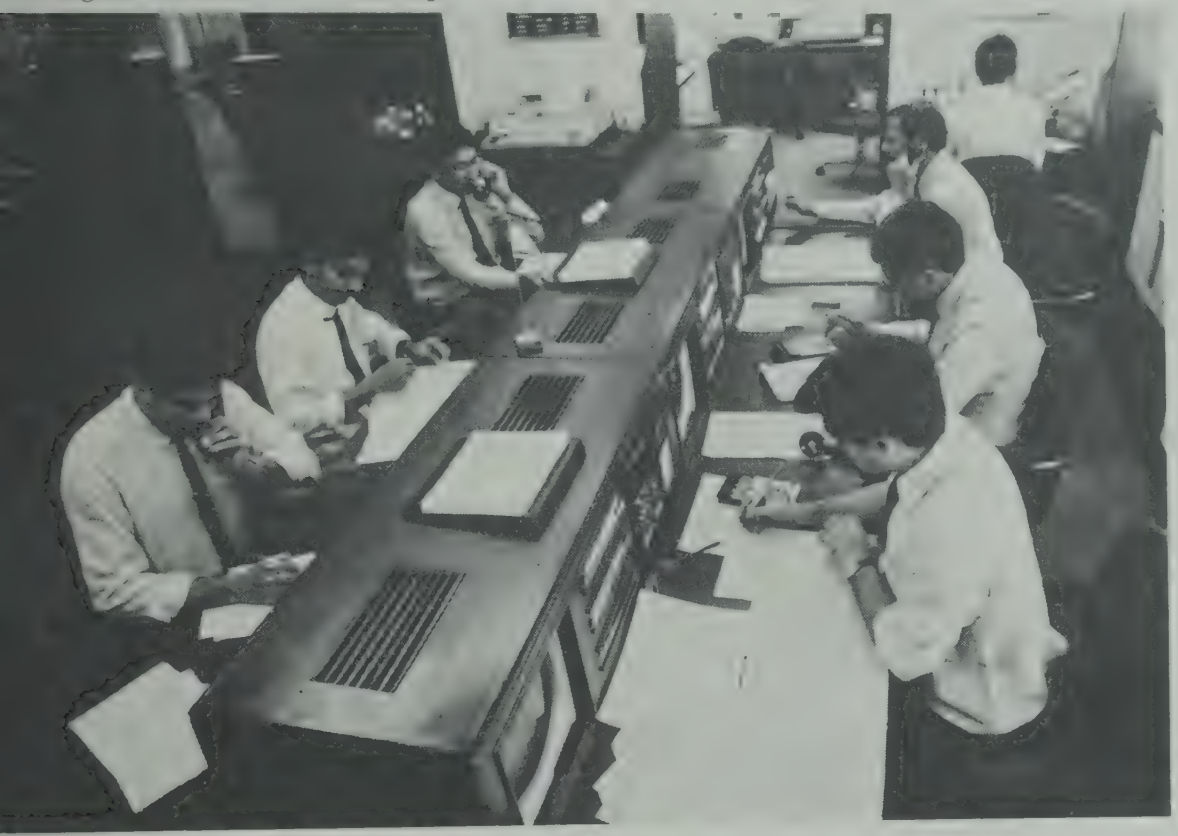
MARKETING AND SALES OFFICES: **Madras:** Ph: 842391, 843285, 842424. **Hyderabad:** Ph: 263782. **Delhi:** Ph: 5725876, 5738797. **Calcutta:** Ph: 420738. **Bombay:** Ph: 580381, 584852.

FOUNTAINHEAD-S&S-404-90

problem with Stanchart was not one of losing business, but of not developing business relations." Comments G. Shekhar, manager, corporate banking, American Express Bank, "Today's new generation entrepreneurs do not bother much about history. What they want is quick and efficient service and specific products tailored to their needs."

Bad accounts

Stanchart also took longer to react to bad accounts, unlike the other foreign banks which got out of such relationships as soon as they could or wrote them off at the first sign of the account going bad. The result was Stanchart's exposure to high risk accounts was more than 13 per cent. The well-known credit problems of Nirlon which had an account with Stanchart is a telling case in point. All the same, Leslie Gibson, ED, credit management, claims that "during the last three years, we have cleansed the bank's balance sheet of bad debts".



Forex dealing room: quick and efficient service

And things are changing. Of late, there has been a shift in the perceptions of Indian operations at the London office. The credit sanctioning limits for the CEO have been brought on a par with other foreign banks and will be reviewed more frequently. The new accounts too are being carefully chosen to ensure a prudent spread in terms of risk and industries prioritised by Stanchart. In fact, Gardiner aims to reduce Stanchart's exposure to high risk accounts from 13.6 to 7.5 per cent by 1993. At the same time, says Nat, "We plan to have 50 per cent of the top 250 companies on our credit portfolio as against 30 per cent at present."

On the personal banking side Stanchart offered no new products or schemes till 1989, but it is now trying hard to catch up. According to S.G. Venkatramani, ED, personal banking, Stanchart has set an internal target of introducing three new products every year at least till 1993. It already has a few exclusive products. Extended banking hours introduced in Bombay in February this year give customers two additional hours of select service. The executive budget balancer introduced in 1989, offers an overdraft facility to individuals against guaranteed future income for the first time and is well targeted at the salaried executive segment of Stanchart's clientele. The scheme has been a success with a pan-Indian customer base of 2,000 executives from well-known companies, according to Venkatramani.

Failure to respond

Stanchart's merchant banking division, which was the major source of Stanchart's business profits in the mid-eighties, fell into bad times in the last two years. In the early and mid-eighties, its profits came from arranging the sales of shares of multinationals wanting to disinvest to Indians abroad. But when this disinvestment activity began to taper off in the late eighties, the division fell behind. It failed to respond with newer products like management of new issues, portfolio management and financial restructuring. And to compound all this, as many as 14 executives, including the division head, Sankaran, quit in the last two years.

However, the new chief of the merchant banking subsidiary, N.K. Prasad, who has come from industry, is confident of reviving the glory of the division. He plans to get into joint ventures, mergers and acquisitions and industrial restructuring, along with other commonplace activities like portfolio management and mutual funds. He has already started strengthening his team by recruiting professionals. His prize catch is S. Kannan, who ran Canara Bank's merchant banking division with great success for many years.

Another department that is revitalising itself is the treasury. As the margins on other instruments are getting squeezed, the focus is on government securities and the growing units market. Kiran Umrootkar, ED, treasury, is determined to augment the profits through fair means. Says he, "The objective is not to take the peripheral advantages and quit, but to nurture healthy practices in the market."

Also on the anvil is a massive computerisation programme that will further add to efficiency while reducing costs. According to Arun Diaz, ED, operations, though cutting costs is the prime objective of computerisation, "ultimately we aim to reduce the customer's turnaround time". Sadly, Stanchart lost a good opportunity to extend its reach through automated teller machines. By the time it went to the RBI seeking permission to instal ATMs, the RBI had decided not to allow individual banks to install these machines. The Rangarajan Committee subsequently permitted use of ATM networks of banks jointly, which means losing the edge forever. Another area where Stanchart lost out in the past but hopes to be aggressive now is in tapping NRI deposits. Being a foreign bank with 2,000 branches spread over 60 countries largely in the Far East and Middle East, where a large number of Indians reside, should be of great advantage. Says Ravi Iyer, ED, finance, "Already, of our total deposits, as much as 45 per cent come from FCNR deposits. And this figure is growing at the rate of 30 to 35 per cent a year."

"This time the winds of change are for real," Nat says. "In fact, at least two of our senior managers who had left earlier are eager to rejoin." And the new enthusiasm at the bank is palpable. But then, bringing about changes in a bank set in its ways for over 130 years will not be very easy.

■ ALPANA KILLAWALA

TRAW PRODUCTS

Creating a larger presence

fter years of stagnation, the company is now on a high growth track. ncreased capacities, simultaneous expansions and diversification into new roducts is expected to add substantially to the turnover in the next five years



Harishankar Singhania diversification and modernisation

Vhen the J.K. Singhania family split infor-ally many years ago, an unusual crite-on was followed for reorganising control ver family-managed companies. Assets ere divided zone-wise — Vijaypat inghania, for example, got the com-anies in the west zone, ed by Raymond Woollen ills. Gaur Hari con-olled the north-based nits, whose flagship is K. Synthetics. Hari-ankar, son of akshmipat Singhania, etained the companies ased in the family's riginal seat of power — alcutta.

For Harishankar this ight have been, no oubt, inconvenient, onsidering his pen-ant for being an ar-ent industry ookesman in Delhi's rridors of power. Like s father, he has ac-ired a larger-than-life age, for his activities industrial fora. He as a prominent player the drama behind the famous FICCI lit in 1985, after which he shifted to AS-OCHAM, where he now has his say.

Harishankar Singhania derives consid-able clout from the three companies in e J.K. group that he now controls — raw Products, Orissa Synthetics and J.K. dustries — which accounted for a total rnover of roughly Rs.500 crore last year. hile J.K. Industries has been doing well the last few years and Orissa Synthetics s steadily improved, Singhania has rea-n to be elated with the performance of flagship, Straw Products Ltd (SPL).



Paper making: contributes to an upswing in the market

dest company

raw Products is one of the oldest J.K. mpanies — established in the year 1939 in Bhopal to make strawboard from wheat straw and waste paper. Later, in 1959, an integrated paper mill was set up in Rayaguda, Orissa. Today, the company's various divisions include those that make cement, LAB and magnetic audio tapes.

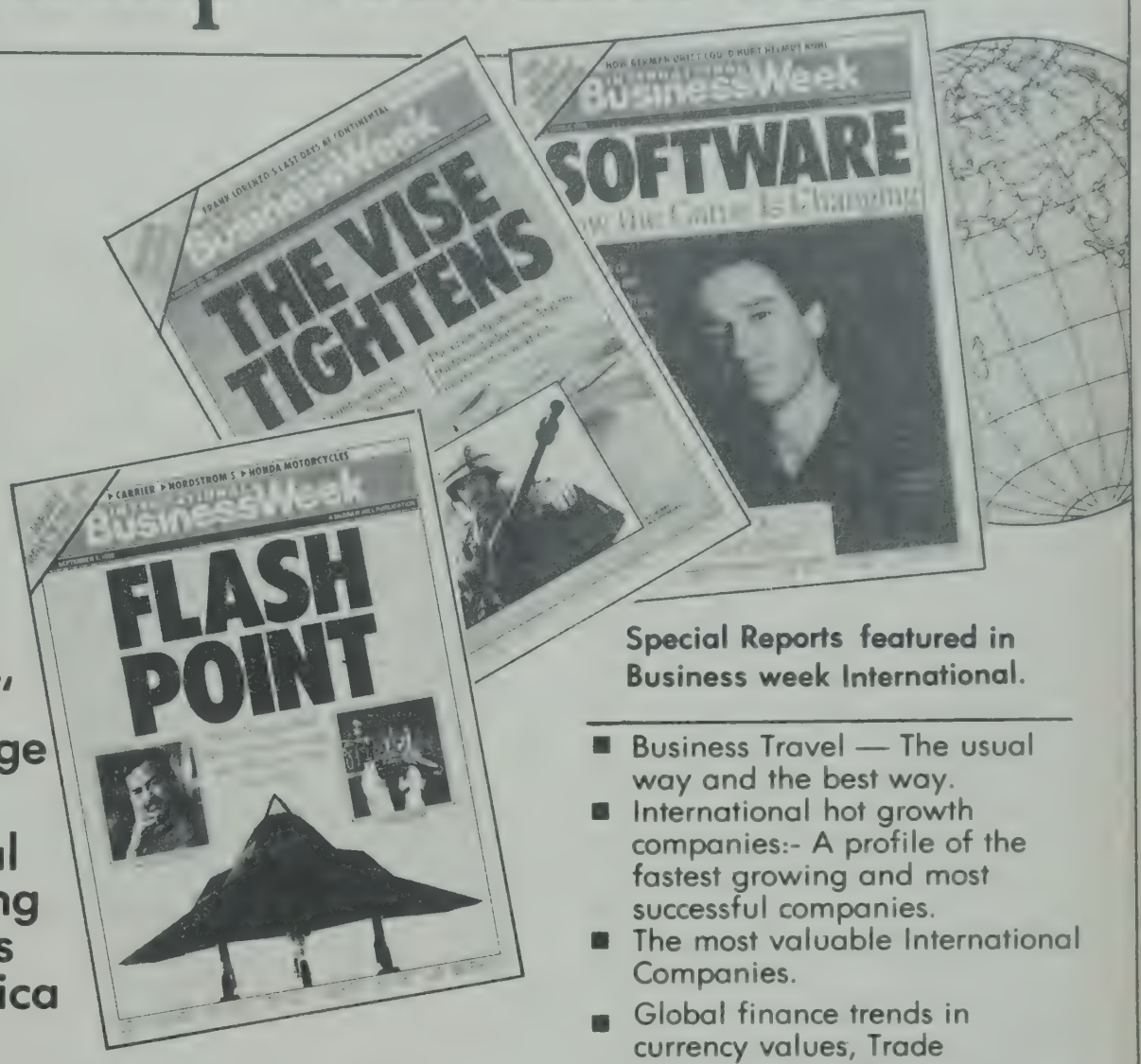
The company has a share capital of Rs.10.69 crore, of which equity is Rs.10.14 crore. Institutions hold 35 per cent of its shares, the Singhanias, another 35 per cent, and the balance is with the public. The Singhania stake includes shares of other family members too, which are held through companies like J.K. Synthetics, Raymond's and a host of investment companies. However, company sources refuse to divulge the stake held by Harishankar and family.

After years of stagnation, Straw Products has got on to a high growth track. Turnover for the year ending March 1990 jumped to Rs.175.95 crore from Rs.125 crore (annualised) in 1988. Gross profit in the same period rose by 77 per cent to Rs.31.50 crore, which prompted the company to declare a higher dividend of 30 per cent against last year's 24 per cent.

Says an industry analyst, "It seems that SPL is finally showing signs of rejuvenation." According to Harishankar Singhania, "The modernisation programmes that we undertook in the last few years have started showing results. There is an increase in production of paper and cement and the markets for both are on the upswing. The balance sheet reflects this." This upbeat trend is likely to continue with major expansion and diversification programmes on hand. On the anvil is a major capacity expansion and modernisation programme for the company's cement division.

The project which is designed to hike cement capacity from 580,000 to 1.46 million tonnes a year, at a cost of Rs.170 crore, awaits the clearance of a group of financial institutions led by IDBI. Says Sitab Chand Jain, Straw Products' vice-president, department of finance, "The final tie-up for finances will take another two or three months." Convertible debentures to partly finance the project are likely to be

Now, the World's most powerfully reported global business newsweekly at your doorstep week after week.



Special Reports featured in Business week International.

- Business Travel — The usual way and the best way.
- International hot growth companies:- A profile of the fastest growing and most successful companies.
- The most valuable International Companies.
- Global finance trends in currency values, Trade imbalances and balances.
- Business Information, marketing, corporate strategies, international money management and lots more.

Business Week International is air delivered to India by India Book Distributors.

To join the most successful, knowledgeable and best informed group of business readers and leaders in the world pick your copy today.

Rated "Most Reliable" of all English-language magazines by over 1000 top international executives from among the largest companies in Europe, North America and the Far East.

Reading Business Week International is like having an accurate detailed road map leading to the future.

Each article is written, designed, and illustrated to be quick, clear, concise and easy to follow — A weekly briefing of Global business news designed to be read, digested and used by the hyper-busy business leader who nevertheless must stay world informed.

Each week you are offered an analysis and interpretation of how current world events are likely to affect you, your company and the future.

And that's just the beginning! week after week Business Week International takes you there from the dramatic developments in the East Bloc and third world markets to the middle east crisis. Plus career tips to stay ahead of the crowd.

News stand price
Rs. 50/- per copy
51 issues per annum.

Available at all leading book stores.

INTERNATIONAL BusinessWeek

Your window to the world of business.

Distributed in India By:
India Book Distributors 107/108 Arcadia, 195 Nariman Point
Bombay 400 021. Tel: 224 646, 225 220, 224 691

For our special subscription offer call or write to the subscription Manager at the above address.

Ashwati

issued to existing shareholders in December-January or in mid-May next year, depending on when the company gets the clearance of the controller of capital issues. This hike in cement capacity is "need-based", the present capacity being below the minimum economic size of 1 million tonnes per year specified by the government. Simultaneous modernisation is also essential as plants fraught with frequent mechanical problems cannot operate at full capacity.

Host of expansion plans

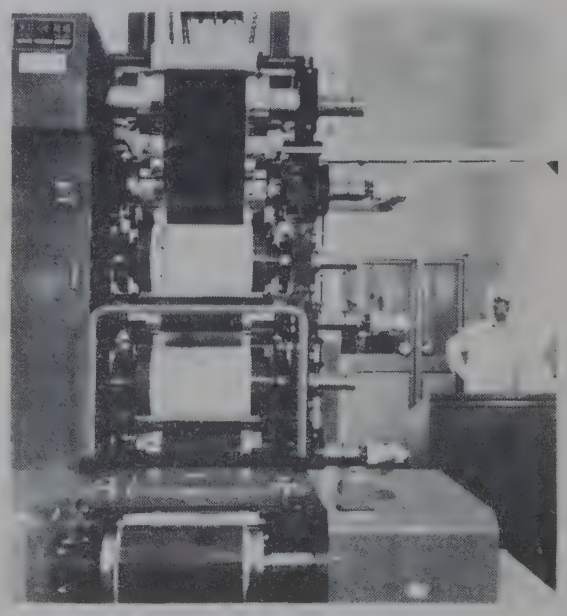
Cement is not the only division being modernised. An investment of Rs.45 to Rs.50 crore is earmarked for modernisation and Rs.15 crore for new machinery for the paper division. Says Shailesh Chandra Jain, president of the paper division: "The financial institutions have cleared it and the programme will be completed by April 1991." A small expansion programme for the magnetic tape division is likely to be completed by September 1991. Balancing equipment worth nearly Rs.5 crore will be added to the existing plant to enable the company to produce video tapes as well.

Diversification plans include acquisitions and setting up of new projects. About Rs.200 crore is to be invested in a plant — at Mathura in UP — to manufacture 60,000 tonnes of linear alkyl benzene (LAB), an essential raw material for the detergents industry. The company received the letter of intent last July, but several glitches stalled the project. SPL wants to use kerosene as an input for LAB but the government insists on the use of paraffin-N, as kerosene is in short supply.

Says B.B. Bhatia, vice-president, projects, "Paraffin-N is not produced in the country and we are forced to work out the logistics and economics of imports. The government says that paraffin-N production facilities will be set up in the country in the near future. This means that if we can't import, we can set up our plant only when these capacities come up."

Meanwhile, Bhatia will concentrate on exploring other potential areas for diversification. Among these projects are the manufacture of downstream petrochemical products like HDPE, LDPE, and PVC. Also at the exploratory stage are plans to make electronic items like ICs and printed circuit boards. Then there are acquisitions. Says Singhania, "In paper, for instance, we are looking for opportunities. We want to take over some sick paper mills".

The management expects the fruition of these projects and the increased capacity of the cement plants to add more than Rs.200 crore to the company's turnover by 1995. "We will certainly touch Rs.400 crore within five years," says director-in-charge, Pratapsinh Navlakha. Adds Sant Sagar Jain, president of the cement division: "The present turnover from cement is around Rs.70 crore, but in another five years, it will be over Rs.200 crore. We are trying to expand into the vast untapped potential — the rural market for our cement."



The magnetic tapes division: no support from the government

Hence, the basic strategy SPL employs is to persuade dealers in such areas to stock its Lakshmi cement, which already has a 20 per cent market share in Punjab, Haryana, Delhi and Rajasthan. Says Jain, "The market we are serving is a growth area and we will concentrate on it." In addition, SPL will endeavour to create a larger presence in UP.

The future of the paper division also appears bright. The capacity of SPL's four paper mills in the Koraput district of Orissa is likely to go up by about 7,000 tonnes a year in the next three years, adding to the total existing capacity of 60,000 tonnes. The company, which has a 3.5 per cent share of the national market for paper, first started to manufacture specialty paper and other value-added products in 1972. This strategy is still used to increase realisations in this product line. According to Shailesh Jain, who was also president of the Indian Paper Makers' Association last year, "This has been our strategy for the last few years. Thus, we produce specialty paper like maplitho, air mail, bond, coated and copier paper and pulp boards." Furthermore, no new production capacities are coming up in this range, so the increased demand will ha to be met by existing plants. Jain adds expect the present improved market c dition to last at least for the next four five years."

The modernisation bug

"Diversification and modernisation ha saved us from sickness at a time when ma big paper mills have gone under," sa Harishankar Singhania. "In J.K. Paper, ery mill is renovated once in a decad This, and the successful schemes for labo rationalisation, have increased produ tivity from 1.5 tonnes/man per year in 19 to 4 tonnes/man per year today. The ma agement also claims that its chemical covery — a key index in paper mills — is t highest in India at about 95 per cent.

Company officials are, however, not t confident of the newly set up magne tapes division, at its plant at Surajpur UP. J.K. Magnetics began well (with techn logy from TDK Japan) with a capacity ut isation of 49 per cent in its first and 70 p cent in the following year. Its audio tap commanded a 10 per cent premium in t domestic market. But, certain governme policies have caused problems. Lamen H.L. Somani, president of the magnetic vision, "There are very high imposts on o product, roughly 50 per cent of the selli price." Excise was raised this May from paise to Rs.1.08 per cut (ex-factory pri Rs.2.80).

Last October, customs duty on impor was raised from 40 to 145 per cent. Ad Singhania: "Government policies are n conducive to hi-tech industry with consi erable scope for improvement merely b cause it views audio and video tapes as luxury item. That magnetic tapes are a v hicle for information technology, and th we are on the verge of an information age overlooked."

This hurdle, however, does not deter th company from going ahead with its plan manufacture video tapes and expand i magnetic tapes division and be a big play in the domestic market. Besides J.K. tv other competitors in the field are the Mu ugappa group and the Garwares. Bu Somani is unfazed: "Our product conform to international standards and is certain of export quality."

Once SPL's plans come through, the com pany will truly hit the big league. Its pr pensity for slow movement, however, wi have to be jettisoned if these schemes are t fructify. Till then cement and paper shoul stand the company in good stead.

■ KINGSHUK NA

Swissair Customer Portrait: Harry Singh and family, Industrialist.



For the holidaying Singhs, Swissair's excursion fare is just the ticket for a joy ride. When Harry Singh plans his family vacation, Swissair gets it off to a flying start. At an affordable fare, the Singhs are pampered in true Swissair style. With hot meals served on real china with real cutlery, a wide selection of beverages, a variety of magazines and newspapers as well as 8-channel stereo entertainment from classical to jazz to pop. So whether you're going to Europe or the Far East, Swissair's excursion fare, as Harry Singh and family would tell you, is just the right beginning for a memorable vacation.

For details call your IATA travel agent or the nearest Swissair office:
AHMEDABAD 449149 • BANGALORE 211983 • BOMBAY 2872210 • CALCUTTA 444643 • COCHIN 360380 • DELHI 3325511 • HYDERABAD 211144 • KATHMANDU 22452 • MADRAS 861588

INDIAN RUPEES NOW ALSO IN DENOMINATIONS OF 250, 750, 1000, 1500 AND 2000

It's quite obvious we're referring to credit cards. However, we're not addressing only big spenders. At MasterCard, we're also talking to people who are afraid they'll overspend. Because we know they won't. Here's why. At the end of every month,



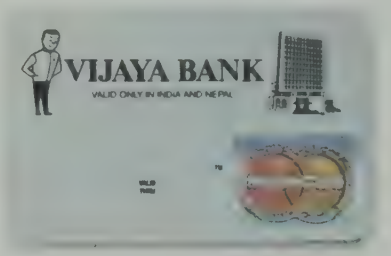




when you get your bills, you know exactly where your money went. And even if you do overspend, you'll plan and budget accordingly for the next month. So, in a way, a credit card does keep a tight rein on your expenditure. And it doesn't cost







much to get one. It's also the most widely accepted credit card. Welcomed by over 15,000 merchant establishments in India.

So if you are a small spender but think big, meet any of the banks whose cards are shown here. They will handle the rest.



MasterCard

BANK IN YOUR POCKET

ADVERTISING SPONSORED BY MASTERCARD MEMBER BANKS IN INDIA: ANDHRA BANK, BANK OF AMERICA, BANK OF INDIA, CENTRAL BANK OF INDIA, CITIBANK N.A., HONGKONGBANK, UNITED BANK OF INDIA, VIJAYA BANK, THE VYSYA BANK LTD AND MASTERCARD INTERNATIONAL INC.

LINTAS RC DEL MAS 3B 2740

DUPLICATE BRANDS

Conning by cloning

Have you ever bought Vips Vaporub, Face and Lovely cream or Goldgate toothpaste? How about a Crompton gas stove or Godrej underwear? Consumers in small towns all over India have been doing so for years. One poor, confused soul even asked his grocer for "Promise*wallah* Colgate"!

Unscrupulous manufacturers often try to make their fortunes by riding piggyback on the reputations of established names or brands; they also manage to avoid excise duties in the bargain. Goods are "passed off" through similarities in name, packaging, size or colour. Sometimes, counterfeit products are also passed off under an established trademark; for example, chalk powder could be put into a tin that resembles the container of a popular brand of talcum powder.

Whichever way it's done, organisations lose money, and their reputation is shaken as their market share is eroded by counterfeits, lookalikes and products with similar sounding names, trading styles or trademarks. And certainly, the consumer is being conned. A buyer asking for pain-relieving Relaxyl ointment, a trademark registered in 1958, is given Relaxol. In his hurry, the consumer does not notice the difference.

Imitation is a worldwide phenomenon. Cardiac pumps used in 266 hospitals in the US turned out to be spurious; the French perfume industry is believed to have lost 10 per cent of its annual turnover to counterfeiters; European and American companies are agitating against South Korea over intellectual property rights; Hoechst, the German pharmaceutical giant, expects to lose almost a million pounds on one product alone this year, because of inadequate protection. And Hong Kong, as every shopper knows, is the fakers' paradise.

In India, imitations have been the bane of every major company, whether it is in the field of appliances, toiletries or inexpensive confectionery. Since efforts made to apprehend the fly-by-night operators are often ineffective, large manufacturers are resigned to living with such losses. The inadequacies of trademark protection laws themselves lead to frustrating legal battles. Besides, there are too few chasing too many counterfeiters spread out all over the country. As a Hindustan Lever spokesman points out, earlier offenders were merely trying to eke out a living; today, criminal gangs are on to the game because it is lucrative and the laws against it are lenient. "While conducting raids on offenders, we have found arms on the site," he says.

Crompton Greaves is one of the early victims of the clandestine operator. The Rs.511-crore electrical company has had problems with duplicates of almost all its products, like lights, bulbs, fans, small motors and low-tension control gears. "People make lights and fans which look just like ours, and it is impossible for the consumer to tell the difference," says A. Dasgupta, general manager, communications and market support.

To counter the problem, Crompton Greaves asked Johnson and Johnson to develop a three-dimensional sticker for their tubelight holders. Media campaigns were conducted to make consumers aware of this, and Crompton Greaves thought it had the problem licked. Until it found look-alike products in the market with look-alike stickers!

Procter and Gamble found itself so frustrated in its attempts to counteract fakes and infringements that it has now made a policy decision not to initiate action against small-time operators. At one time, the company had filed several law suits against products like Vips Vaporub but, as Arun Chogle, vice-president, health and beauty care, points out, "It costs us more to get into legal battles than what we finally achieved." Adds Ashok Chhabra, legal counsel and company secretary, "We get injunctions against these small-time operators quite fast, but when it comes to suing for damages, the cases can drag for years."

Chhabra has reason to believe that when complaints are lodged with the police, the offenders are somehow informed — a view shared by other legal experts too. "In nine cases out of ten," says Chhabra, "when we conduct a raid, we find the premises empty and all signs of manufacturing operations gone." Though it is





Clones of Lifebuoy soap and Colgate dental products: riding piggyback on established brands



Godrej imitations: despite a strong stand

difficult to estimate the losses, they are "phenomenal" says Chogle, especially with fast-moving products like Vicks Vaporub.

Companies have found that when an injunction is obtained against a certain fake brand, the small-time offender merely moves his base. Worse, he sometimes even operates from the same premises, under a different name. "If you try to seize these products, the manufacturers just pack up," says Yogesh Sawat, sales project manager of Parles. Parle-G biscuits alone have about 60 imitations, found in small towns and even slums in large cities. Melody and Poppins sweets manufactured by Parle are also under attack.

At last count, Poppins had 50 imitations. Though the brand is 20 years old, most of the duplicates mushroomed in the eighties, when biscuits and sweets were reserved under new rules for the small sector, with large companies no longer allowed to increase their capacity. Since legal action is difficult, Parle has had to restrict itself to a press campaign to warn consumers.

"Consumers should be warned by the comparatively low prices of duplicates," advises S.V. Subramaniam, deputy general manager of Godrej, referring to cases where discarded tins, such as those of talcum powder, are refilled by counterfeiters with cheap substitutes and sold on the streets. Godrej regularly battles to protect its reputation, trademarks and intellectual property rights.

In one case, Sun Chem (India) had named its hair dye 'Go Go' and packed it in a deep blue pack, complete with illustrations of the kind found on the Godrej pack — a man on one side, a woman on the other, and the words "Just shampoo it in" and "Natural black" written within a floral design. Godrej filed a case in 1987, and obtained an interim injunction order against Go Go. Elsewhere, Godrej has had to contend with 'Govraj' soap, and a vanishing cream called 'Crowning Glory'.

Godrej takes a strong stand against imitations, first establishing proof of the availability of the infringing product by sending a representative to buy it and obtain a cash memo. Once details of the offender are available, Godrej serves a legal notice. If there is no response, a police raid is organised and an injunction obtained. That done, Godrej also tries to ensure that the raw material used for the imitation is destroyed.

In India, there are four acts governing intellectual property. The infringement of a trademark or copyright under the relevant acts can be regarded as criminal offences for which separate action can be taken. Civil and criminal remedies can be pursued simultaneously; civil relief can be in the nature of injunctions, damages, and account of profits while criminal action can result in fines or jail sentences.

As trademark attorney Manoj Menda points out, "passing off can be done in an infinite variety of ways". This can cause confusion, both in the minds of consumers and in the courts. Besides, as Ajit Yadav, senior legal manager and company secretary of Hindustan Lever, points out, under law, counterfeiting is a non cognisable offence. This means that the offenders can't be arrested easily. Action against offenders, then, requires the co-operation of state machinery, which can cause delays. Yadav, and P.R. Keshwani, director and company secretary of Colgate-Palmolive (India) Ltd, stress that counterfeiting should be made a cognisable offence.

Manufacturers suggest that consumers can protect themselves by purchasing goods from reputed stores. Manufacturers' interests can be safeguarded only through tighter registration laws. "I don't understand why it should take so long for a mark to be registered in the absence of opposition from other parties," observes Iqbal Chagla, a senior Bombay-based advocate. Yadav explains that this is because the trademarks registry's workload has increased enormously, though its structure has remained the same.

The trouble really is with the state and government machinery, which is unable to cope with the exploding brand competition. And as anonymous operators make a quick buck, it is the uneducated consumer who suffers.

■ MENKA SHIVDASANI

Storm in a tea cup



It's usually the large organisations that accuse smaller ones of infringement. But the confrontation between Girnar and Brooke Bond (India) is a case with a difference. Girnar Tea, along with Shah Shantilal and Company, took Brooke Bond to court, alleging that the latter's trademark 'Gulnar' was phonetically similar, and was 'passing off' their goods. The Bombay high court found the products similar and directed Brooke Bond to change the carton and its colour, besides adding the phrase 'Brooke Bond' in the same size as the word 'Gulnar'.

The battle began when the *Trademarks Journal* advertised the trademark 'Girnar' in 1987. When Brooke Bond objected to it, Shah Shantilal and Company, a tea wholesaler since 1928, claimed that they have used the Girnar mark since 1975, adding they had applied for registration in 1977. According to Harendra Shah, partner, Girnar Tea, by a deed of assignment dated 12 May 1986, Shah Shantilal and Company had assigned the trademark 'Girnar' to Girnar Tea. Brooke Bond, in the meanwhile, is lying low.

A glimpse of
a corporate philosophy,
that holds community welfare
close to the heart.





For a company that is over four decades old and evolving into a corporate force to reckon with, human values still remain sacred. At The Andhra Sugars, the corporate philosophy inspires us to serve society. A commitment we've honoured for over forty years.

Ever since 1952, when crushing first began in the sugar factory, the welfare of the entire community, has been a prime consideration. The Andhra Sugars has generated vast employment in the region. Both at its own industrial complexes as well as through numerous feeder and user industries. Over 150 villages and the farming community, reap a rich harvest aided by the helping hand of The Andhra Sugars. Seeds, chemicals, inputs, knowledge of cultivation methods etc., are provided to these farmers.

The Andhra Sugars has contributed significantly to the establishment of the ultra modern, Smt. Mullapudi Venkataramanamma Memorial Hospital, to benefit the people in and around Tanuku. This 200 bed hospital will expand its capacity to 400 beds. With a view to provide educational facilities to the community, The Andhra Sugars has contributed to the setting up of one of the best polytechnics in the region in terms of the quality of education. Fully equipped laboratories, hostel, library and sprawling playgrounds are some of the highlights of this polytechnic. We are proud that many meritorious students have passed through its portals. Further, high schools have also been set up near Tanuku and at Kovvur.

The Andhra Sugars has made yeoman contribution by setting up the Sri Rangaraya Medical College at Kakinada which has produced many brilliant doctors. To cater to the cultural needs of the community, The Andhra Sugars is helping in the construction of a massive library and cultural centre - Sri Mullapudi Thimmaraju Memorial Library and Cultural Centre, at Tanuku. The Cultural Centre will provide a much needed forum for the exposure of the rich cultural talent. Enlightening the people by bringing to them a glimpse of our rich cultural heritage.

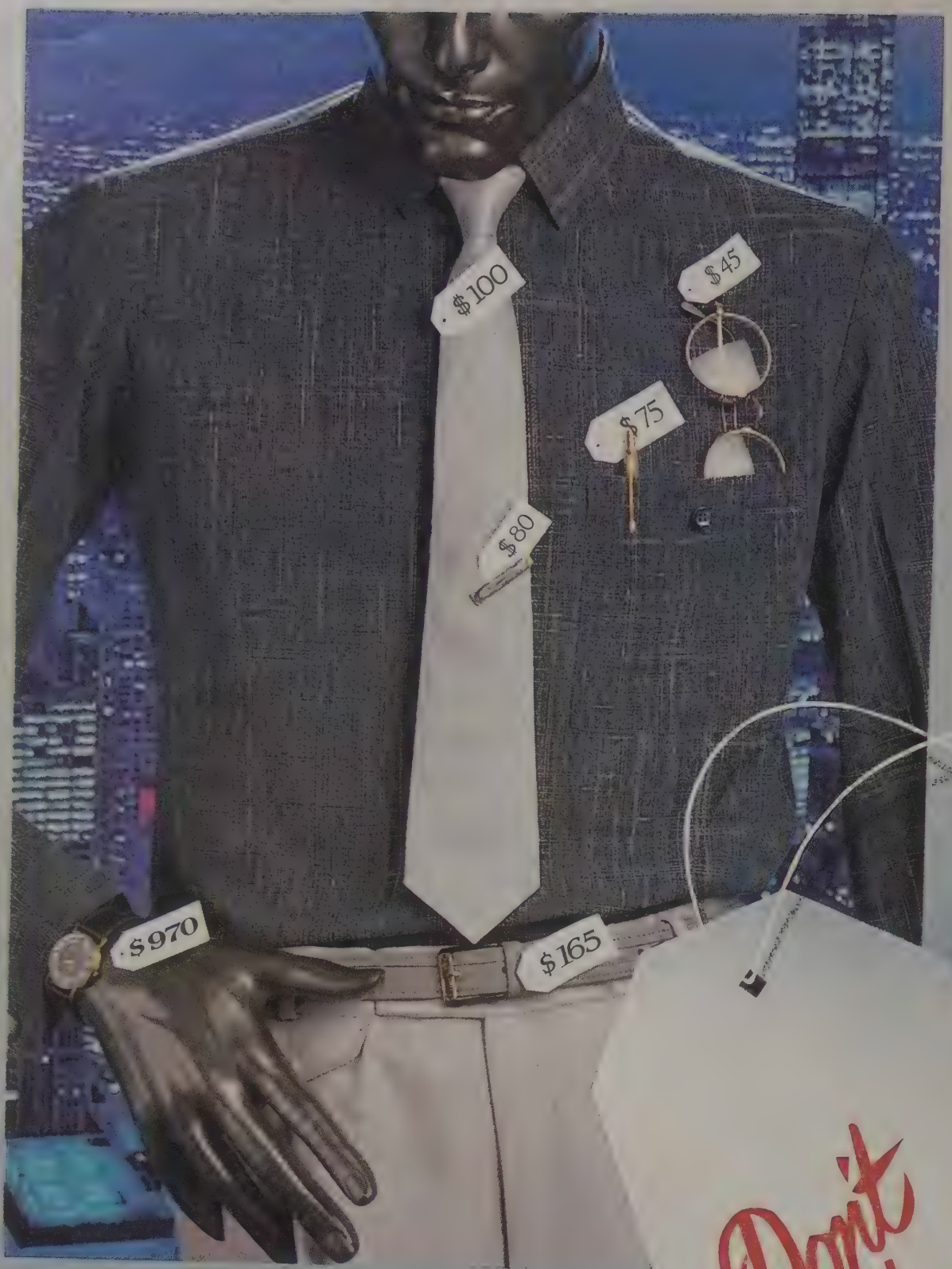
For over four decades The Andhra Sugars has always believed that social betterment is a responsibility to be carried out with conviction. Small wonder that it has always fostered a spirit of enterprise. For the welfare of mankind.

THE ANDHRA SUGARS LTD. TANUKU

THE ANDHRA SUGARS LTD.

Venkatarayapuram
Tanuku (West Godavari Dist.,) Andhra Pradesh.

OTS/ASL/590



BLUE CHI

Expensive looking, but highly affordable

Don't pay in Dollars

BLUE CHIP

SHIRTS-TROUSERS

A quality product from

VIP

L'affaire Oswal

ver the past few years, the growth of the Abhey Oswal group of companies and is successful public issues electrified the stockmarket. Recently, the imbroglio ith Business India *put him back in the headlines. What are his companies up , and what have they done with the money raised from the public?*

or a while, there seemed to be no stopng Abhey Oswal. As he grew, the media ailed him as the new star; his face stared onfidently from magazine covers and ewspapers. The largely unknown chairan of the Ludhiana-based three comany group soon became a name to reckon ith. His blistering pace of growth was the vy of other industrialists. And his name und its way to the list of prominent inustrialists of the country.

Business India too, looking ehind the Oswal hype, put im on the cover of its 12 Deember, 1988 issue, with the uestion: "Will the Oswal agic last?" A year-and-a-half ter, when the magazine anted to follow up on the agship of the group, Oswal gro Mills (OAM) took the agazine and this correspondent to court.

While looking into the operions of the newly-acquired swal Petrochemicals at hembur, Bombay, *Business ndia* unearthed information n possible excise violations. hese needed to be crossecked with the company ofcials before publication. hen neither Abhey Oswal nor swal Petrochemicals officials ould be contacted, a questionaire was telexed to the group airman at his offices in Deli, Ludhiana and Bombay. It was exected that Oswal would answer the ueries and deal with the issues raised bout the company's operations in a roper light.

Instead, *Business India* and this correpondent were slapped with an injunction rder by the Bombay civil court. The noce, which was granted *ex-parte* from the esidence of the judge, ordered the magaine to refrain from publishing either the uestionnaire or any material on Oswal etrochemicals. In the plaint accompanyng the notice of motion, Oswal Perochemicals called the questionnaire "palpably false, defamatory and scurrilous".

Apart from the absurdity of a list of questions being termed defamatory, the plaint also made wild allegations about the integrity of the magazine and this correspondent. It accused both correspondent and magazine of being "instigated by the Ambani group of companies" to tarnish the image of the Oswal group. It further alleged that "the purpose of the questionnaire was to extort money..."



Oswal: putting the blame on his managers

That the allegations held no water was evident by the next order of the Bombay civil court, which vacated the stay order five days after the injunction. Oswal Petrochemicals, however, asked for two weeks to answer the questions, which the court granted. Two weeks later, Oswal Petrochemicals still refused to reply. Meanwhile, they initiated contempt proceedings against both this correspondent and the magazine and asked the court to detain the former "in civil prison for a term not exceeding three months" for having committed wilful contempt of court. The court has not entertained the plea as yet.

Why did Abhey Oswal react so strongly to a simple set of questions? When *Business India* had put him on the cover, he was only too glad to co-operate. Does he truly have something to hide? Subsequently, Oswal personally contacted *Business India* wanting to "settle" the matter. *Business India* insisted and obtained an unqualified apology from him, in writing, withdrawing every allegation against this correspondent and the magazine.

How safe is your money?

But merely vindicating ourselves is not the main purpose. The Abhey Oswal group is conspicuously in the lead in raising money from the market. The vast majority of investors, and our readers, would want to know how safe their money is with the group.

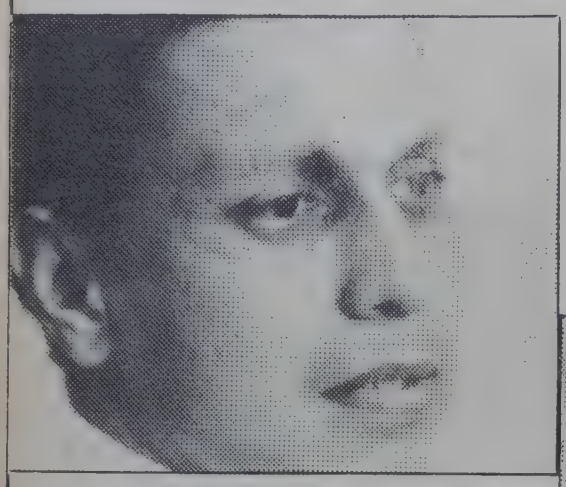
The Oswal group — Oswal Agro Mills (OAM), Bindal Agro Chem and Oswal Agrofurane — has grown rapidly. The combined fixed assets are now Rs.680 crore, and combined turnover, about Rs.700 crore. The three companies are agro-based and manufacture vanaspati, soya-oil, de-oiled cakes, toilet soap and sugar. OAM and Oswal Agrofurane have shown excellent results mainly due to timely and well-judged decisions in the matter of raw material purchases. A banker explains: "His trading background stood him in good stead in exploiting the purchase of raw materials."

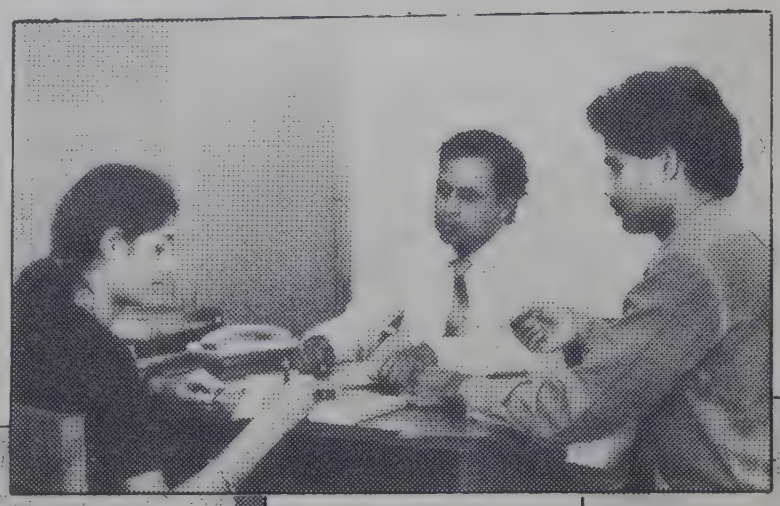
Late last year, Oswal bought Union Carbide's naphtha cracking plant in Chembur, Bombay, for Rs.58.5 crore. Petrochemical industry experts were surprised at the stiff price he paid for a plant whose installed capacity for low density polyethylene (LDPE) granules is 20,000 tonnes a year. When Reliance Industries wanted to buy the same plant four years ago, they were willing to pay only Rs.28 crore. Says an industry expert, "Petrochemicals have become very profitable since, yet a sum of Rs.48 crore would have been more than adequate."

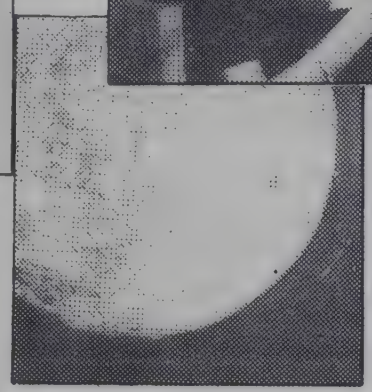
Started in 1966, the Oswal Petrochemicals plant — so named after the takeover — has the oldest naphtha cracker in the country. Apart from LDPE, it is also in-

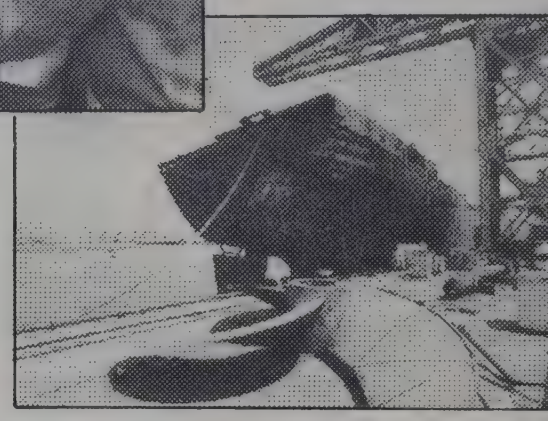
Exporters/Importers

While you are battling against deadlines, LCs, quality control and stiff global competition,









let LVB help with the finances.

For details and prompt action
contact your nearest LVB Managers.



The Lakshmi Vilas Bank Ltd.
Karur 639 001.

Chairman: **I. Sada Siva Gupta**

Our business is to help solve your problems.

The Oswal market mechanism

Whatever the Oswal group's detractors may say, its investors have little reason for complaint. The shareholders of Oswal Agro Mills have been paid a dividend of 50 per cent every year since 1987. Bindal Agro Chem, a newer company, has also declared a 50 per cent dividend for the last three years. Says Oswal, "We should be able to maintain the same dividend even this year (ending December 1990)."

It is these apparently attractive returns which have drawn millions of investors to the "Oswal goldmine" — the eponymous mega-issue in October 1989 by Bindal Agro. That issue was preceded by a media blitz — full-page ads in 70 Indian newspapers (and smaller insertions in select foreign dailies) — which cost an estimated Rs.3 crore, the highest ever spent for a public issue. The result? Bindal Agro Chem Ltd collected Rs.480 crore out of the Rs.500-crore issue from the public.

High premia. Almost eight months ago, Oswal Agro had collected another Rs.320 crore from its existing shareholders through 12.5 per cent secured fully convertible bonds. Money for Bindal Agro was raised through fully convertible debentures. On both these, the group managed to get a Rs.40 premium for each share of Rs.10 approved by the CCI.

This begs the question: how did the group manage to get such high premia? Stockmarket quotations provide an answer. In March 1988, the Rs.10 Oswal Agro scrip was quoted at Rs.55 on the BSE. By January 1989, the price climbed to Rs.98. And in February, when the rights issue opened, getting the CCI to clear the premium was not difficult. Similarly, Bindal Agro's Rs.10 share, which was languishing at Rs.70 in January 1989, started rising steadily. By August, it reached Rs.127.50. In October 1989, the Rs.500-crore issue opened. Once again, the premium was cleared.

Immediately after both issues closed, their prices started falling. Oswal Agro had slipped to Rs.70 by June 1989 from its high of Rs.98 in January. By February 1990, it was down to Rs.46. Bindal Agro too slipped from the Rs.100-plus before the issue to Rs.60 in February 1990. This activity clearly indicates that they were artificially inflated and propped up.

After the declaration of the Oswal Agro dividend, the price climbed back. What is pertinent, however, is that the 50 per cent dividend is on the Rs.10 share. Thus, the actual dividend — Rs.5 on each share — is just 10 per cent on the Rs.50 debenture. Taking into account an average interest rate of 18 per cent accumulated from the debenture issue (12 per cent from government bonds and stocks, and almost 25 per cent from short-term loans to banks and other corporate bodies), the Oswal group has a clear eight per cent spread.

talled with the capacity to produce 5,500 onnes of propylene and 2,000 tonnes of enzene a year, as well as some other perochemicals. When Oswal took over the lant, it had been idle for more than two-nd-a-half years.

The Oswal Agro rights issue

n February 1989, to expand the capacity f the Chembur plant and finance the acquisition, Oswal Agro raised Rs.320 crore rom the capital market of which Rs.58.5 rore took care of the plant price. Land evy to the government of Maharashtra vas Rs.17 crore (disputed by Oswal), Rs.40 crore was needed for revamping and estructuring the Chembur plant and Rs.15 crore for the working capital. "In addition, as the conversion to equity was after six months, we had to shell out Rs.30 crore as interest," says Oswal. This accounts for almost Rs.160 crore. "With the balance, the idea was to expand the capacity from the present 20,000 tonnes per annum of LDPE to around 45,000 tpa," he adds.

The permission for expansion was not granted by the state government. However, this was almost a foregone conclusion: NOCIL's expansion plans in this oversaturated industrialised belt have been hanging fire for quite a while. Hadn't Oswal Agro anticipated that it would not be allowed to expand capacity?

"To be frank, no," says Abhey Oswal, "We were pretty sure that we would be able to carry out the expansion activities. There are a few chemical companies, like RCF, Bharat Refineries, Hindustan Petroleum, etc, in the same belt that were allowed expansions." That these expansions were minor — involving a capital investment of not more than Rs.15 to Rs.20 crore — does not seem to have deterred the group from raising money in the capital market for such a purpose.

So the money raised for expanding the Chembur plant was used in Oswal Agro's other units. Around Rs.25 crore has been used for sugar units that the company has recently acquired and about Rs.50 crore has been used to buy soyabean seeds for its solvent extraction plants at Bhopal. A part of this money has also been diverted to the soap-making units at Ludhiana. "The balance — Rs.150-odd crore — will be used in the Rs.250-crore power company, a joint sector venture with the Uttar Pradesh government," he explains. For the power project, the group intends to raise the money — Rs.100 crore — once again from the market.

The Bindal Agro issue

Similarly, Bindal Agro also raised around Rs.480 crore from the market in October 1989 for the Shahjahanpur fertiliser plant. Oswal comments on the status of the project: "Civil construction work has started. Roads, a captive power generator and a staff colony have already been built. Machinery to be imported and that to be bought by local vendors — worth around Rs.200 crore — has already been identified. Once the zero date for the supply of natural gas is announced, work will start in full swing." According to Oswal, the project will only get delayed by six months.

Out of the Rs.480 crore, Rs.250 crore call money is yet to be collected from the public in January 1991. Bindal Agro has some Rs.285 crore at present. "A substantial portion of this money has been invested in government securities and bonds," says Oswal. Part of the money has also been lent to banks, earning good interest. When call money market rates were hiked this February-March to almost 40 per cent per annum, the investments must have fetched Oswal a neat sum. The group has also lent money to Bank of America and Citibank, among others, at interest rates varying from 20 to 30 per cent a year. "But these are for a very short term, a month or two only," says H.K. Singhania, finance director, OAM.

What is quite clear is that the Oswal group is sitting on a large pile of cash, which generates enough profits and interest to ensure regular dividends to the shareholders. In the past seven years, Oswal had approached the equity and bond market no less than ten times to raise over Rs.1,000 crore. He has provided continuing opportunities to the investing public

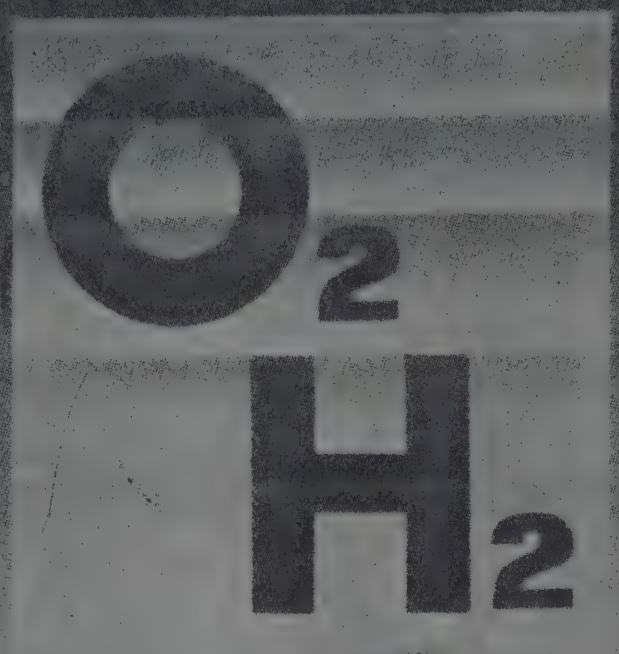
V/O CHIMMASHEXPORT
supplies

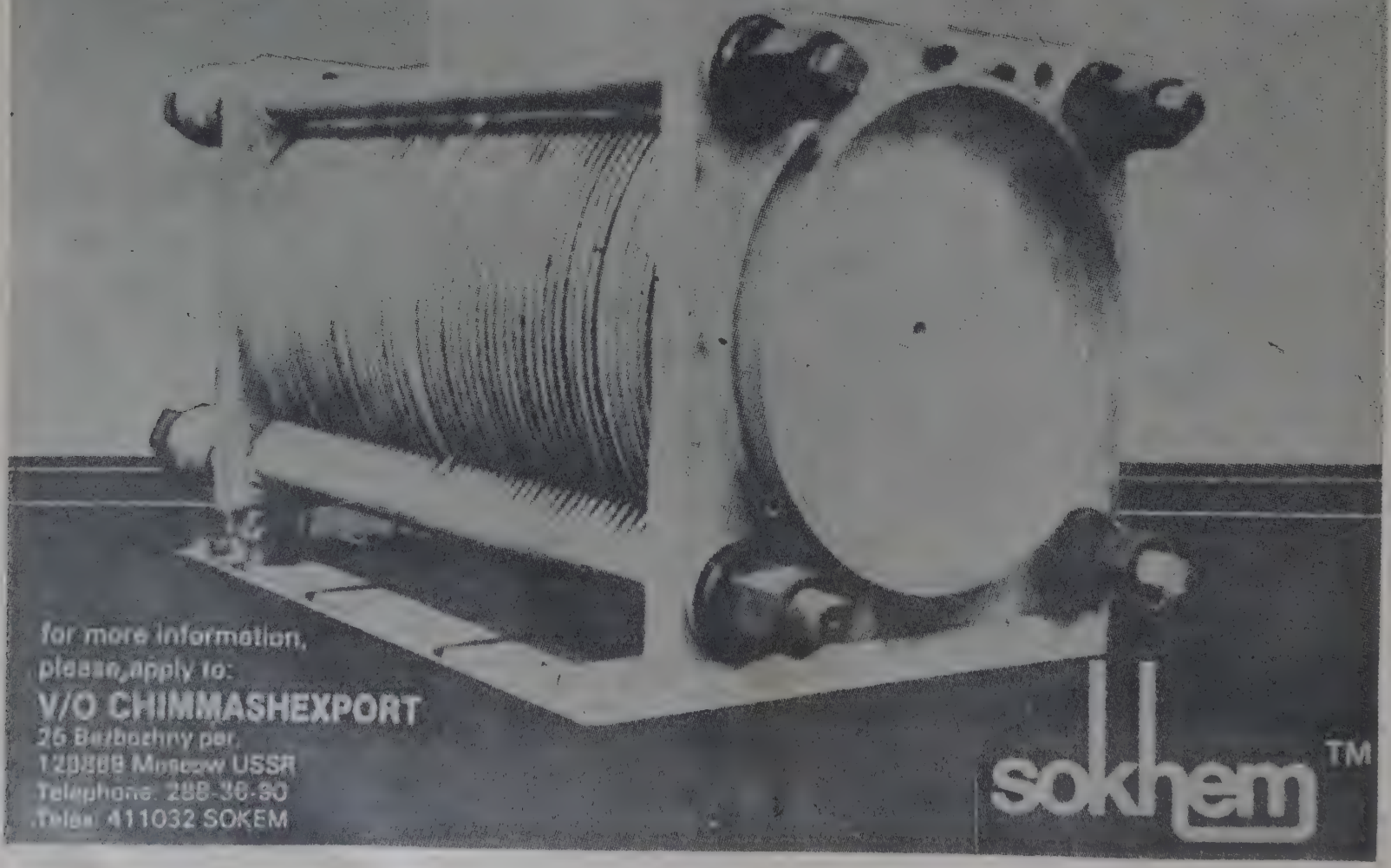
ELECTROLYZERS

FOR HYDROGEN AND OXYGEN PRODUCTION

used in the production technologies of extra-pure glass, automotive glass, carbides; in the electronics industry, power generation and medicine.

* the new manufacturing process allows to reduce the amount of inter-cell gaskets by one half
* the gas and feed conduits are corrosion-proof





for more information,
please apply to:

V/O CHIMMASHEXPORT
26 Baltschny per.
120888 Moscow USSR
Telephone: 288-36-90
Telex: 411032 SOKEM

sokhem™

and all his public issues have been oversubscribed. His mechanism, according to his critics, is very simple: just before an issue he inflates his share prices in the market, which gives him a high premium, which in turn services the equity.

Besides, innovative financial planning and strategic purchase of company assets has helped the group to dramatically lower gestation periods and produce quick returns on new investments. His investors — some 750,000 in Oswal Agro alone — would agree. OAM paid a 50 per cent equity dividend for 1987, 1988 and 1989 and has declared a similar amount for 1990 as well. Bindal Agro too paid a similar amount for 1987, 1988 and 1989.

Oswal has currently been on an asset acquisition spree. His pickings include various units — the Carbide plant at Chembur, ICI Rishra, (West Bengal), a sugar unit at Phagwara and another sugar unit near Moradabad in UP. A prize catch was the Rs.695 crore gas-based fertiliser project at Shahjahanpur, right from under the nose of the co-operative sector KRIBHCO.

The company's strategy has been clear. It has virtually shunned all loans, short and long term, thus keeping its interest burden extremely low. Instead, it has adopted the equity route quite effectively in reducing the cost of capital to about 8 per cent against the industry norm of 15 to 16 per cent. "Our business requires large amounts of money on call to exploit the trade opportunely," he says.

The group has raised funds through debentures with high premia and early conversion. To support this, the returns have also had to be early. Hence the spree of acquiring readymade plants instead of going into greenfield projects where gestation periods are longer (Shahjahanpur is an exception). By following a policy of building net worth through conversion of debentures at a premium, the Oswal group has become flush with funds.

Yet, after Oswal Petrochemicals started operations early this year, stories about strange goings-on in the company premises began to be heard. Contractors and suppliers who helped restart the idle plant complained of non payment of dues. Rumours about naphtha being smuggled out of the company to be sold in the black market for adulteration with petrol was in the air. Dealers started grumbling about the company's marketing practices. And all the while allegations that Oswal was fudging on excise duty gained strength.

The naphtha that the Chembur plant cracks is supplied by Hindustan Petroleum at a subsidised rate of Rs.3.27 per litre. It is well known that there is a flourishing black market for naphtha in the country, where its price per litre is about Rs.8. The specific gravity of naphtha is very close to that of petrol (0.6) which makes it easy for the two to be mixed without any perceptible difference. After the naphtha is cracked, nearly 80 per cent of the residue is ethylene, which is converted into low density polyethylene (LDPE). Under optimum conditions, 100 tonnes of naphtha cracked would yield approximately 25 tonnes of LDPE.

Between December 1989 and June 1990, 37,554 tonnes of naphtha were supplied to the plant by Hindustan Petroleum's neighbouring depot at Mahul, Chembur. This should have yielded approximately 8,500 tonnes of LDPE over the same period, but the company's own records account for only 6,643 tonnes. The shortfall of 1,857 tonnes of LDPE translates into approximately 8,250 tonnes of naphtha. Where did this naphtha go?

Ethylene wasted

However, according to industry experts, restarting a plant after more than two years requires a lot of ethylene to be wasted as fuel. Explains Oswal, "Naphtha cracking is a continuous process. The ethylene that comes out of the cracker is subjected to tremendous pressure of almost 35,000 pounds per square inch in the compressors before being converted to LDPE. This ethylene has to be 99 per cent pure. Anything less will lead to such an explosion in the compressors that all of Chembur will be blown away. Even a slight crack in one of the pipes leading to the cracker furnaces may reduce the purity of ethylene, in which case the entire lot has to be fed back into the furnace and burnt away."

Today the Chembur plant is converting almost 25 per cent of the naphtha successfully, but the amount of naphtha that was burnt away initially is anybody's guess. This is what fuelled the rumours, and if some of this naphtha was smuggled out, there is no way of proving it.

Reports of excise evasion led to countrywide raids on Oswal Agro and Bindal Agro chemical plants on 17 July. Several excise irregularities were discovered. LDPE granules are declared to be either of two varieties — grades A and B — excise duty being 31 per cent for both. The price of grade A, inclusive of duties, is



Plant at Chembur: bought at a stiff price

BUSINESSMEN!

GET THE BEST IN BUSINESS SOFTWARE FROM TATA CONSULTANCY SERVICES

The Business Management Series (BMS). It is a ready-to-use software package that does away with trial-and-error software implementation. So you save valuable time. And money.

BMS. The most comprehensive business software package – that really works. And is working for hundreds of organisations – small, medium and large.

BMS provides a complete solution for Financial Accounting, Accounts Receivable, Accounts Payable, Inventory Control, Purchase Order Monitoring, Sales Order Processing, Invoicing and Sales Analysis. BMS works on PC–XT/AT as well as larger systems (UNIX).

Besides, BMS comes to you from Tata Consultancy Services. So you are assured of quality software and responsive customer service. TCS has a network of five branches and sixty-nine support centres all over India to provide effective training and support.

If you are a businessman, manager or accountant, BMS can work for you. So do get in touch with us for a demonstration.

BMS. The safest buy.

MASTERKEY™

Contact : Tata Consultancy Services or your nearest Agent

☐ I would like to have more details.
☐ I am interested in a demonstration.
☐ I would like your Consultant/Agent to call me.

Name: _____
Designation: _____
Co. Name/Address: _____
_____
_____
_____ Tel.: _____

Please rush this coupon to:
Manager – MASTERKEY Software
Tata Consultancy Services
Nirmal, Nariman Point, Bombay 400 021
Or phone: 287 3413/202 4828.

Or contact MASTERKEY at TATA CONSULTANCY SERVICES: ● **BANGALORE:** Pragathi, 70/1, Miller Rd. Tel: 72379/28076 ● **BHUBANESWAR:** 363, Shahid Nagar, Janapath. Tel: 57409 ● **CALCUTTA:** Nicco House, 2 Hare St. Tel: 209415/280744 ● **CHANDIGARH:** SCO 110-111, Sector 8-C, Madhya Marg. Tel: 40819 ● **HYDERABAD:** Shakar Bhavan, 5-10-174, Fateh Maidan Road, Khairatabad. Tel: 231247/234493 ● **LUCKNOW:** 16, Rana Pratap Marg. Tel: 49562 ● **MADRAS:** 188, Lloyds Rd., Gopalapuram. Tel:470516/470507 ● **NEW DELHI:** Fulbright House, 12 A, Hailey Rd. Tel: 3329696/3329697

CHAITRA-B TCS 214 MAGS

bout Rs.33,000 per tonne, of which excise lement is about Rs.7,000, while a tonne of rade B costs Rs.15,000, excise being s.3,500. Allegedly, Oswal Petrochemicals as been transporting grade A granules ut of the plant, labelling them as grade B, nd paying less excise.

low Oswal saves on excise

he company also got approved the classi- ication and price of "masterbatch" — the ommon name for chemicals mixed in ery small quantities with LDPE to add olour and special properties to the plas- ic. Excise duty on masterbatch is 10.5 per ent. It is alleged that the company had lso taken LDPE granules (a variety called 114) out of the Chembur factory camou- laged as masterbatch.

The matter came to light when excise uthorities held a truckload of LDPE ranules at Cochin around 20 July. Bags of rade A granules were discovered while xcise paid on them was for masterbatch — a duty evasion of Rs.5,000 per tonne. he anti-evasion directorate as estimated that Oswal Pe- rochemicals has evaded aying Rs.2.77 crore excise n LDPE alone. Similar nodes of excise evasion were lso discovered at Bindal gro's newly acquired alco- ol-based LDPE plant at Ris- ra, where the duty evaded, ccording to excise officials, s to the tune of almost Rs.1.4 rore.

The company has already greed to pay Rs.1.75 crore ut of the Rs.2.77 crore duty demanded by the depart- ment for the Bombay plant nd Rs.1 crore for the Rishra lant. It is disputing the rest f the amount. Says inghania, "Instead of charg- ng us the difference of duty hey have charged the entire uty. This is tantamount to aying the duty twice. We are going to fight it out." However, they have dmitted the evasion of Rs.2.75 crore (Rs.1.75 crore for Bombay and Rs.1 crore or Rishra) of excise duty from the two lants.

Money had also been collected for warding the dealerships (of LDPE gran- les) to various parties. On 25 May 1990, n a case filed against B.R. Mehta, market- ng director of Oswal Petrochemicals, and is associates, the general manager, D.L. Dhawan, has accused them of cheating and extorting money — said to be over Rs.70 lakh — in the company's name.

By all accounts, the irregularities seem to be only the tip of the iceberg. It is also difficult to ascertain the precise amount of money being siphoned off, as there are three companies in the group, each of which has various units all over the country. Rumours about the group's activities abound in the industry, but substantiating them is almost impossible, particularly where cash transactions are involved.

Oswal, however, places the blame for all the irregularities on his managers. Says he, "Mehta and the gang are known to have taken bribes and kickbacks in my name in an attempt to tarnish my image in the market." Yet all attempts to track Mehta down by *Business India* and get his version of the story proved unsuccessful. When managers siphon off money, it is usually in connivance with those at the top. An illustrative case is Orson-Nihon, from which crores of rupees were said to have been siphoned off by the Chhabrias through their managers.

This is not the first time a company has been found guilty of violating excise regulations. The question being asked today is whether the irregularities at Oswal Petrochemicals could have occurred without the knowledge of the chairman who cannot, of course, be absolved of the responsibility. As a man who envisions establishing a Rs.1,000-crore industrial empire, Abhey Oswal must not only be above board, he must also appear to be so.

■ SHEKHAR GHOSH



Naphtha cracker: oldest in the country

Profile of a "provincial" man

In Ludhiana, Abhey Oswal's home town, half the population hates him and the other half simply adores him. Those who hate him are the 'haves' of this prosperous city — his relatives, erstwhile business partners and scions of rival business families. Those who adore him are the small-timers — junior employees, small traders and businessmen, and young students with a desire to make it big in life.

Strangely, both his detractors and admirers have a similar perception of him. Everybody in this city, known for its hosiery and cycle industry, agrees that Abhey is a dynamic, if overambitious, man. He makes quick and bold decisions and will cut corners to ensure success. According to the Ludhianvi, the ends justify his means.

To do big things. Says Shripal Oswal, Abhey's cousin, who runs the Vardhaman group of companies, "He has been like this since childhood, always wanting to do big things. As a small businessman, one can do many things. But as one grows, all eyes are on you. Then one must be very conscious of the means one chooses."

Abhey's 80-year-old father, Lal Vidyasagar, could not be contacted. But his associates say that he is rather cheesed off with his son. He thinks Abhey is a *nalayak puttar* (unworthy son), they point out.

Abhey Oswal is a typical product of Ludhiana. In this city, the average businessman considers it his birthright to do as he pleases, unfettered by any controls. Perhaps, for all his success, he hasn't really grown out of this provincial culture.

■ KINGSHUK NAG in Ludhiana

Who's afraid of Moody's?

Officials of one of the world's foremost financial credit rating agencies, Moody's Investors Service, New York, were here in India recently. Senior analysts Thuy Tranche and Stephen Taran came in early September to see, in the words of a senior member of the Indian financial community, "if India will default on its debt repayments". India was put "on watch" by the agency in July (see *Business India*, 20 August).

There is no published rating available on India's sovereign debt, as India does not borrow as a country. However, the two largely state owned ICICI and SBI, which borrow in the international markets, are rated by Moody's at the highest ranks of P1 for short term debt and reasonably high rank of A2 for long term debt. In the process of rating these institutions, the agency in effect rates the country. The institutional rating, however, can never be higher than country rating.

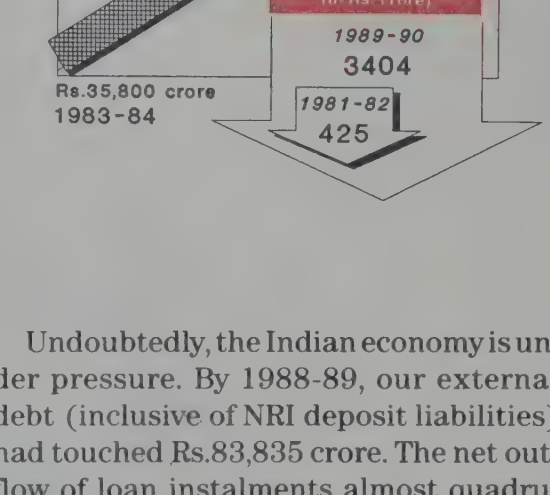
The two member team gave the press a wide berth, preferring to confabulate with senior officials of the Union finance ministry, commercial banks and financial institutions, and several private sector industrialists "to get a first hand feel of the prevailing mood and direction of the Indian economy".

Apparently, comments made by the new Indian government on the poor state of the economy inherited from the previous government have caused anxiety among many rating agencies. Subsequently, Reserve Bank of India officials say, there have been several visitors from Japanese, American and European financial institutions in recent months checking after the same economic indicators.

According to ministry of finance officials, the variables that Moody's looked at were:

- Reliability of information from the government.
- Is India's debt underestimated by the government?
- The debt service to export earnings ratio and debt service as a percentage of GDP.
- Trends in debt accumulation, export growth, current account deficits and the general trade gap.
- How dependent is the economy on critical imports.
- The diversification of India's exports.
- The state of the political system in the country and the accountability of the political and economic systems.
- Policy effectiveness to bridge the trade gap, domestic deficits and inflation.

The feedback on Moody's visit is encouraging. The government, it appears, was prepared and reports are that the team took back a positive outlook about India. How this will effect Indian's sovereign rating remains open to question. The Moody's team will make a presentation to a rating committee and their verdict is likely to be made public by October.



Undoubtedly, the Indian economy is under pressure. By 1988-89, our external debt (inclusive of NRI deposit liabilities) had touched Rs.83,835 crore. The net outflow of loan instalments almost quadrupled between 1984-85 and 1989-90 to Rs.4,642 crore. Commercial borrowings were 10 per cent of total outstanding debt in 1979-80. A decade later, the figure was 25 per cent, while servicing costs shot up by 700 per cent in a little less than that period to Rs.3,404 crore.

Worse, India has turned to more expensive commercial borrowings since cheaper finance from multilateral agencies is shrinking. The Aid India consortium, for instance, pledged India half-a-billion dollars less at $6 billion for the year ending 1991, and the International Development Agency cut aid by a quarter of a billion dollars.

Not uncommon

Clearly, this is not a rosy picture. But is there cause for panic? The fact is, the international environment has undergone a tremendous change in the last 10 to 12 months, and both borrowers and lend have been affected. Recently, the rating several Japanese and American ba were downgraded, proving that do grading is not uncommon. Given that, h relevant are market ratings of credit corded to sovereign debt?

Not much, judging by an article p lished in a recent issue of *Euromoney*. cording to the article, "almost certai less regard will be paid to simple ratin (of countries and corporate entities More time will be taken up in analys economic statistics and politi developments.

The perception is that sovereign ratin are becoming increasingly divorced fr reality. A good example cited is Mood downgradation of Australia's foreign c rency debt from Aa1 to Aa2, based heav on the country's current account defic This was not accepted by the market. C sequently, in both the sterling and dol markets, Australian bonds are not u equal to AA1/AA+ paper.

It thus appears that investors follo broader analytical process of judgi countries. Besides the key domestic a international variables and ratios, like t current account deficits or the debt s vice ratio, they also make a subject judgement of the political situation. take an example, Finland's AAA stat gives it little support in the dollar and d tsche mark markets.

The divergence between corporate a sovereign ratings is also found curious investors. Some US companies, for i stance, are rated higher than the sov eign bonds of some European countrie

In the Indian context, however, lowe ing the credit rating, may mean borro ings from the international markets at higher rate. But, the fact remains that t Indian economy has also shown treme dous resilience despite odds such as t worst drought of the century in 1987-8 Says a senior banker, "The lowering of t rating by one notch will mean we pay inte est higher by 42 basis points." (100 bas points = 1 per cent).

Obviously, the size of the market th Indian institutions will be able to tap w also shrink. A knock at the doors of t International Monetary Fund (IMF) no longer remains a mere option. But, as I mal Jalan, economic advisor in the mini try of finance, categorically says, "Th official position taken with Moody's is th going to the IMF will largely be a politic decision."

■ ALPANA KILLAWALA and BASUDEV DA

Singapore Airlines introduces Raffles Class.

(It's more than just Business as usual.)

don't have a Business Class anymore. Instead, we have Raffles Class. Where gentlemen can freshen up with toiletries
Jina Ricci — or Elizabeth Arden for our lady passengers. In an ambience that says it's more than just business as usual

SINGAPORE AIRLINES



WANG PRESENTS FREESTYLE. A DRAMATIC BREAKTHROUGH INCORPORATING THE SIMULTANEOUS TRANSMISSION AND COMMUNICATION OF DATA, VOICE AND IMAGE.

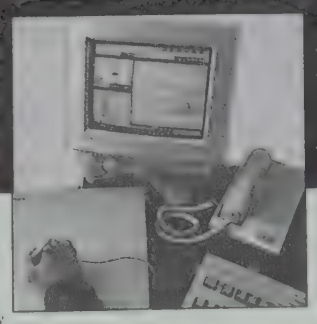
Wang's Freestyle Personal Computing allows you to b effectively present in several places at the same time without even leaving your office! And if you know hov use a pencil and a telephone, you already know how use Freestyle. It's that simple.

Freestyle uses a computer — any computer. The syste consists of a pencil-like stylus, a screen to view what y write, and an ordinary telephone.

For more information, call or write Digitron COMPUTERS Pvt.

himself from here to there ...

o being there is here.



he screen becomes your electronic paper on which you an bring any document — existing or new — into the icture. You can read it, sign on it or even make changes n it with the pencil-like stylus. And if you want to nderscore the changes, simply pick up the phone and ut your instructions into speech. Freestyle captures and ynchronises both your voice and your hand-written omments. Thus enabling you to communicate more learly, make better decisions, sign off on important greements quicker — in a very natural way: yours!

Freestyle is brought to you by Digitron, committed to the marketing, installation and support of the entire range of Wang equipment in India.

WANG

The leading edge of technology

, Free Press House, Nariman Point, Bombay 400 021. Tel. 244887,243[illegible]1

SIEMENS



Fascinating Assets

An important if largely unseen, component of 'Siemens Quality' is its people. People whose skills and talents have been carefully polished so they can realise their multifaceted potential.

Training and development is an on-going commitment at Siemens. The sophisticated, advanced training centre at Andheri, Bombay challenges the cream of engineering talent to better their own performance. Even more heartening are the results of intensive training programmes at Siemens factories where operators emerge with sharper skills, improved confidence and a clearer vision of their jobs.



Investing in the individual is a statement of purpose that translates into a day-to-day commitment.

Siemens sets the standard in a wide range of products, systems and projects. These include control and automation systems, railway signalling equipment, medical electronics, switchgear, switchboards, drives and motors, turnkey projects or new dimensions in telecommunications.

A deep commitment to developing its most important 'products'—its people—gives. Siemens an edge—that sharp edge of quality.

Siemens Ltd.,
P.O. Box 6597, Bombay 400 018

Siemens
Where international technology meets human needs



The best and the brightest. As in other areas of life, the most outstanding in business also stand out. But unlike in many other spheres, in business it is much easier to arrive at a consensus when picking out the men from the boys. The best invariably prosper. Prosperity leads to growth. And growth ultimately shows up in increased size. So in a free market situation, the size of the business is in many ways a fair indicator of excellence.

Managing a larger company is without doubt more difficult than running a small one. And so it is likely that many small companies are more profitable than their larger counterparts. But this in no way detracts from the achievements of the latter. Big is always better, by way of its inherent strength, the capacity to bear unanticipated shocks, and simply by the fact that it has grown so big in a world where roughly everyone has had the same opportunities.

Business India has used this simple logic in compiling its first annual listing of India's 100 most outstanding private companies. The companies have been ranked for their standing in four broad areas — sales, profits, assets and market capitalisation. Public sector units have been left out because their growth is governed by different set of rules. Private family-owned companies like Godrej, which are not listed on the stockmarket, have also been given the go-by for lack of information. Business India Super 100 is a compilation of the best among the rest.



TISCO is the winner in all four categories — sales, profits, market value and assets. Reliance pips TELCO for the number two slot by virtue of better profits and larger assets

Ranking India's hundred best and most valuable companies by their performance is certainly not a very easy task. A company that tops in sales need not have the largest assets. The company that has a large market capitalisation need not rank high on the profit list. So *Business India* followed a simple system to rank the top 100 companies. It might not be the most perfect way of determining a company's worth, but we feel we have come very close.

First, a list was made of all the companies listed on the Indian stockmarkets that had sales in excess of Rs.150 crore last year. There were 140 such companies. We then ranked them in four separate categories — the 100 toppers in sales, 100 in profit, 100 in assets, and 100 in market capitalisation. The sum of their individual rankings in these four categories then determined their position in the Business India Super 100 list.

For example, Tisco is first in all the categories and hence is the highest ranking company in the Super 100 list. Bajaj Auto is seventh in sales, fourth in gross profits, 20th in assets and fifth in market capitalisation. In the overall ranking it stands sixth.

Undoubtedly, these companies are among the largest and the most profitable in the country. They contributed over 20 per cent of the country's industrial turnover in 1989-90 and were responsible for 8 per cent of the nation's savings. Most of them are heavily capitalised and belong to sectors like steel, automobiles and petrochemicals.

This is partly the result of government policy which favoured institutional loans for the heavy industrial sector as also the tax breaks that result from generous depreciation allowances.

In terms of self-sufficiency, the Super 100 presents a balanced picture. Almost every industry is represented. This, too, reflects the government's policy. For example, in few other developing countries would automobiles have been so prominent.

The list also reflects the 'securitisation' of the economy. Even though the list is drawn from the listed sector, almost every significant private sector company is represented. The excluded ones would probably include detergent giant Nirma, Godrej, and some private sector banks.

The Tatas and Birlas, with their stress on efficient project implementation, naturally dominate the capital heavy group.

This list will undoubtedly change in the future. As the economy becomes more competitive in steel, for example, profits will not keep pace with growth in turnover. Meanwhile, marketing monopolies like Colgate and ITC, whose positions do not depend on the vagaries of government licensing, are probably good bets for inclusion in forthcoming lists of this kind.

Unexpectedly, the list ha few multinationals. This r flects the low asset growt high payout policy that mu tinationals have followe Added to that is the gover ment's policy that has han pered the growth industries which have bee the natural haunt multinationals.

The list also includes se eral groups that were sma till quite recently; the Jinda and Dhoots, for example. Th indigenous groups hav grown as a result of goo marketing or production advantages i a competitive environment and also sadly, due to favoured access to licences as was the case with Reliance an Videocon.

Quite a few of the Super 100 are i industries with significant environmen tal hazards. These include fibre maker and petrochemicals manufacturers Given our government's lax implemen tation of pollution laws, they will proba bly continue to figure on the profit making list for a while.

The balanced picture notwithstand ing, the lists do not reflect the country's natural advantages either in raw mate rials or labour. For example, aluminium should be a primary item on the lis given the country's abundant supply o raw materials. Both Hindalco and Indian Alum are there, but thanks to er ratic power supply, are low on the list Similarly, given India's trained man power, computer companies and other service groups should be present. Yet only HCL is on the list. This reflects our tough trade union laws.

■ Compiled by N. RADHAKRISHNAN, AVINASH GORAKSHAKAR, ALTAF DOSSANI and RAFIQ DOSSANI

TOP 10

Rank	Company	Rank Sales	Rank Profit	Rank Mar. Val	Rank Assets
1	TISCO	1	1	1	1
2	Reliance	3	2	3	2
3	TELCO	2	3	2	6
4	Grasim	6	5	6	3
5	Larsen & Toubro	8	10	8	5
6	Bajaj Auto	7	4	5	20
7	Century Tex	17	6	9	14
8	Hind Lever	9	8	4	27
9	GSFC	18	13	7	11
10	ITC	4	11	13	24

Super 100 Rank	Company	Group	Industry	Sales (Rs crore)	Rank	Profit (Rs crore)	Rank	Market value (Rs crore)	Rank	Assets (Rs crore)	Rank
1	TISCO	TATAS	STEEL	2135.57	1	294.62	1	3853.92	1	2286.65	1
2	Reliance	AMBANI	SYNTH FIBRES	1860.18	3	252.47	2	2387.97	3	2203.11	2
3	TELCO	TATAS	AUTOMOBILES	1969.10	2	197.20	3	2418.00	2	971.97	6
4	Grasim	ADITYA BIRLA	DIVERSIFIED	1077.91	6	128.33	5	1276.80	6	1875.00	3
5	L & T	PROFESSIONAL	DIVERSIFIED	1024.07	8	103.57	10	1134.38	8	1158.00	5
6	Bajaj Auto	BAJAJ	AUTOMOBILES	1064.63	7	163.57	4	1316.00	5	450.93	20
7	Century Tex	B.K.BIRLA	DIVERSIFIED	744.78	17	120.80	6	1092.00	9	546.55	14
8	Hind Lever	MULTINAT	CONS PROD	1008.17	9	105.08	8	1441.37	4	356.71	27
9	GSFC	JOINT SECTOR	FERTILISERS	693.37	18	88.76	13	1162.20	7	628.92	11
10	ITC	MULTINAT	CIGARETTES	1827.30	4	98.83	11	895.05	13	407.01	24
11	ACC	TATAS	CEMENT	990.98	10	66.84	20	1036.00	10	441.53	21
12	Cochin Ref	JOINT SECTOR	PETROCHEM	1337.07	5	82.26	15	561.00	22	348.42	28
13	Hindalco	ADITYA BIRLA	ALUMINIUM	608.07	21	104.06	9	516.00	23	437.80	22
14	Indo Gulf Fert	ADITYA BIRLA	FERTILISERS	439.61	38	98.37	12	594.00	19	770.60	7
15	Ballarpur Ind	THAPAR	PAPER	605.44	22	66.46	21	599.20	18	461.03	19
16	Indian Alu	MULTINAT	ALUMINIUM	548.04	25	106.10	7	944.13	12	239.43	47
17	Century Enka	B.K. BIRLA	SYNTH FIBRES	408.76	43	86.90	14	784.00	14	379.98	25
18	Ashok Leyland	HINDUJAS	AUTOMOBILES	864.28	12	42.66	31	370.12	32	375.93	26
19	Brooke Bond	MULTINAT	TEA	541.34	26	51.11	25	640.90	16	268.36	38
20	Tata Chem	TATAS	SODA ASH	309.02	56	77.29	18	575.64	21	649.72	10
21	SPIC	JOINT SECTOR	FERTILISERS	812.42	13	41.71	34	250.75	49	658.59	9
22	NOCIL	A. MAFATLAL	PETROCHEM	475.67	33	81.56	16	648.00	15	241.66	45
23	Escorts	NANDA	AUTOMOBILES	769.82	16	45.20	30	449.18	27	284.54	36
24	Guj Narmada	JOINT SECTOR	FERTILISERS	330.44	52	55.11	23	485.46	24	600.08	12
25	J.K. Synthetics	SINGHANIA	SYNTH FIBRES	781.17	15	64.80	22	293.76	42	278.07	37
26	Tata Power	TATAS	POWER	421.70	39	48.31	27	335.00	34	500.15	17
27	Mah & Mah	MAHINDRA	AUTOMOBILES	921.61	11	40.16	37	188.17	59	528.26	15
28	Indian Rayon	ADITYA BIRLA	DIVERSIFIED	405.00	44	47.45	29	409.57	30	436.82	23
29	Bombay Dyeing	WADIA	PETROCHEM	393.91	45	48.11	28	442.40	28	242.02	44
30	Jaiprakash Ind	GAUR	DIVERSIFIED	327.43	53	42.16	33	242.19	53	737.95	8
31	Tata Tea	TATAS	TEA	270.49	63	76.75	19	628.42	17	210.55	51
32	Birla Jute	M.P. BIRLA	CEMENT	467.84	36	25.89	58	324.80	36	341.69	29
33	Madura Coats	PROFESSIONAL	SYNTH FIBRES	342.49	49	34.65	41	414.20	29	248.02	42
34	Oswal Agro	ABHEY OSWAL	SOYA OILS	235.32	81	30.67	48	580.20	20	491.52	18
35	Mukand	VIREN SHAH	SPECIAL STEEL	527.42	27	32.24	45	271.95	47	218.75	49
36	Raymond Woll	SINGHANIA	WOOL TEXT	342.21	50	41.07	35	245.25	51	305.73	33
37	ICI	MULTINAT	DIVERSIFIED	644.85	19	18.40	78	265.20	48	328.07	31
38	Great Eastern	VASANT SHETH	SHIPPING	229.13	86	78.27	17	291.54	43	321.33	32
39	Dunlop	CHHABRIAS	TYRES	581.07	23	26.80	57	152.00	68	260.37	40
40	Hind Develop	RAGHU MODY	DIVERSIFIED	268.05	66	30.21	49	329.70	35	260.43	39
41	CESC	R P GOENKA	POWER	487.24	31	24.88	62	137.70	83	594.92	13
42	Cromp Greaves	THAPAR	ELECTRICALS	517.00	28	27.26	54	213.75	56	200.17	53
43	Ceat	R P GOENKA	TYRES	421.20	40	42.27	32	185.00	60	183.97	61
44	DCM Ltd	BHARAT RAM	DIVERSIFIED	800.23	14	23.07	67	149.50	70	239.16	48
45	Voltas	TATAS	DIVERSIFIED	503.73	29	24.80	63	277.20	44	148.59	68
46	JCT Ltd	THAPAR	SYNTH FIBRES	227.02	88	28.85	51	385.00	31	253.16	41
47	MICO	MULTINAT	AUTO ANCIL	269.51	65	48.63	26	475.00	26	111.28	96
48	Baroda Rayon	GAIKWAD	SYNTH FIBRES	247.96	75	39.05	38	323.00	37	145.66	71
49	Hind Motor	C.K. BIRLA	AUTOMOBILES	617.98	20	14.96	89	132.00	84	337.83	30
50	Colgate	MULTINAT	CONS PROD	277.10	62	52.70	24	996.95	11	60.09	126

Super 100 Rank	Company	Group	Industry	Sales (Rs crore)	Rank	Profit (Rs crore)	Rank	Market value (Rs crore)	Rank	Assets (Rs crore)	Rank
51	MRF	MAPILLAI	TYRES	575.09	24	22.75	68	152.10	67	157.37	65
52	Siemens	MULTINAT	ELECTRICAL	296.96	58	34.47	43	275.60	45	133.74	79
53	Premier Auto	WALCHAND	AUTOMOBILES	465.17	37	27.26	53	138.69	80	197.12	56
54	Nestle India	MULTINAT	FOOD & DAIRY	258.80	69	26.99	56	484.95	25	128.20	82
55	Andhra Valley	TATAS	POWER	253.96	70	30.04	50	138.60	82	295.97	35
56	Polyolefins	A. MAFATLAL	PETROCHEM	227.79	87	35.27	39	275.50	46	148.58	69
57	Ahmed Elect	JOINT SECTOR	POWER	269.84	64	19.46	74	94.50	95	503.93	16
58	Videocon Int	DHOOT	ELECTRICAL	417.78	41	40.45	36	143.85	78	109.42	97
59	Asian Paints	CHOKSI	PAINTS	226.77	90	27.28	52	341.85	33	132.99	80
60	Shaw Wallace	CHHABRIAS	BREWERIES	497.90	30	23.86	64	144.00	75	117.57	89
61	Tamilnadu Petr	MUTTHIAH	PETROCHEM	187.49	109	34.80	40	180.19	61	211.99	50
62	HDFC	PROFESSIONAL	HOUSING	194.35	106	34.23	44	82.00	107	1385.60	4
63	Glaxo	MULTINAT	PHARMA	307.50	57	23.33	65	202.00	58	127.12	84
64	Hoechst	MALLYA	PHARMA	286.43	60	14.16	93	297.00	40	144.12	72
65	Kirloskar Cum	PROFESSIONAL	ENGINES	233.10	85	25.69	59	297.00	41	130.12	81
66	Hind Ciba	MULTINAT	PESTICIDES	250.80	73	31.13	47	297.50	39	86.98	107
67	J.K. Ind	SINGHANIA	TYRES	292.93	59	34.60	42	112.00	86	127.17	83
68	Modi Rubber	K.K. MODI	TYRES	482.26	32	25.06	61	88.40	101	136.01	77
69	Peico	MULTINAT	ELECTRICAL	416.94	42	16.93	88	208.12	57	118.02	88
70	Orient Paper	K.K. BIRLA	PAPER	241.41	78	17.79	80	172.50	63	194.13	57
71	Ind Organic	GHIA	SYNTH FIBRES	245.56	76	22.07	69	158.24	66	142.66	73
72	BSES	PROFESSIONAL	POWER	390.20	46	17.33	83	93.60	96	183.22	62
73	Zuari Agro	K.K. BIRLA	FERTILISERS	264.26	67	19.80	73	147.60	73	138.19	75
74	Bharat Forge	KALYANI	FORGINGS	196.49	104	21.08	70	248.20	50	159.58	64
75	Britannia	RAJAN PILLAI	FOOD	321.28	55	17.34	82	297.60	38	74.95	113
76	Lipton India	MULTINAT	TEA	475.20	34	17.33	84	150.10	69	98.28	103
77	Jindal Strips	JINDAL	STEEL	280.90	61	19.06	76	148.50	71	123.96	87
78	Kesoram Ind	B.K. BIRLA	DIVERSIFIED	225.61	92	11.55	103	138.60	81	304.71	34
79	Special Steels	TATAS	STEEL	210.73	100	27.16	55	216.60	54	80.08	109
80	Standard Ind	R. MAFATLAL	COT TEXT	251.69	72	13.45	97	118.25	85	152.37	67
81	Coroman Fert	ARUNACHALAM	FERTILISERS	248.46	74	5.93	127	176.18	62	187.68	59
82	Lakshmi Mach	DEVARAJALU	TEXT MACHI	235.01	82	21.07	71	216.00	55	70.20	116
83	McDowell	MALLYA	BREWERIES	239.97	80	14.59	90	63.52	116	246.66	43
84	Straw Prod	SINGHANIA	PAPER	176.95	123	18.55	77	143.93	77	189.56	58
85	Tata Oil	TATAS	CONS PROD	339.50	51	10.55	110	111.00	88	115.82	90
86	LML	SINGHANIA	AUTOMOBILES	225.76	91	11.62	102	91.52	97	199.08	54
87	Bajaj Tempo	FIRODIA	AUTOMOBILES	221.10	95	23.25	66	148.50	72	70.38	115
88	Apollo Tyres	RAUNAQ SINGH	TYRES	183.31	112	21.00	72	84.17	104	181.63	63
89	Tata Hydro Elec	TATAS	POWER	162.59	133	19.46	75	102.00	92	200.96	52
90	Modipon Ind	K N MODI	TEXTILES	204.72	102	31.20	46	61.38	119	113.36	93
91	Amrit Banaspati	N K BAJAJ	VANASPATI	260.82	68	8.84	119	244.85	52	61.46	125
92	VST	PROFESSIONAL	CIGARRETTES	374.58	47	13.72	95	106.70	89	44.69	135
93	Orkay Silk	MEHRAS	SYNTH FIBRES	182.61	116	3.86	132	162.70	65	198.99	55
94	BATA	PROFESSIONAL	FOOTWEAR	321.85	54	9.37	114	98.70	94	86.66	108
95	Rallis	TATAS	DIVERSIFIED	360.66	48	5.58	129	85.50	103	112.06	95
96	GKW Ltd	PROFESSIONAL	STEEL PROD	240.11	79	7.26	125	144.00	76	101.76	100
97	Goodyear	PROFESSIONAL	TYRES	224.26	93	17.68	81	106.65	90	65.54	120
98	Asea Brown	MULTINAT	DIVERSIFIED	205.93	101	7.29	124	147.00	74	124.44	86
99	Garden Silk	P. SHAH	TEXTILES	158.04	136	18.16	79	83.60	106	154.03	66
100	Ferro Alloys	SARAF	FERRO ALLOYS	221.08	96	25.29	60	63.08	117	64.63	121



COME HOME TO
GREEN SERENE

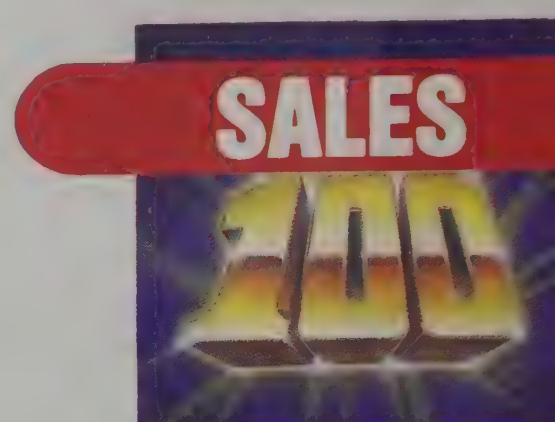
It's the end of your day.
Come away from the heat, tension and strain.
To lush and serene Alipore. A mere two kilometre drive from Calcutta's business centres. To a green welcome, of whispering shrubs and trees; the scent of flowers and a blue, blue pool. Come home to where it's calm and soothing. To Taj Bengal.

Taj Bengal
Calcutta India

A whole new experience

THE TAJ GROUP OF HOTELS

TISCO is the only company with a turnover exceeding Rs.2000 crore. But Videocon, with a sales figure exceeding Rs.400 crore, recorded a phenomenal 491 per cent growth last year



The Business India Sales 100 does not provide any big surprises at higher levels. Tisco remains the only company with a turnover exceeding Rs.2,000 crore and heads the list, followed by the likes of Telco, Reliance, ITC, Cochin Refineries and Grasim. But at the middle and lower levels there are quite a few revelations.

Videocon, with a turnover of over Rs.400 crore, is number 41 in the list. It recorded the highest growth in turnover of 491 per cent in the year. Little known, Delhi-based Jaiprakash Industries, which is ranked 53rd in the list, saw a 88 per cent increase in sales. Jindal Strips is another big gainer — number 61 on the list. Aditya Birla's Indo-Gulf Fertilisers is positioned at 38.

Among the more established companies, the first nine recorded growth rates in excess of 15 per cent. Ashok Leyland, at number 12, saw a 63 per cent jump in sales. Competitor Telco grew by 17 per cent, indicating the buoyant nature of the truck market. Dunlop, Mangalore Chemicals, Tata Tea, Indian Aluminium, Baroda Rayon and Lakshmi Machine were all big winners.

Of course, there were laggards as well. Bajaj Tempo has been a d appointment with its 14 p cent drop in sales. Zuari Ag was the only other compa on the negative growth list. all, only 13 companies in t list recorded a single digit negative growth.

The 100 largest compan in the country recorded to sales of Rs.48,689 crore la year, a Rs.9,200 crore i provement over the previo year. This means a 22 p cent increase in one ye which by any yardstick is brilliant performance. It demonstrative of the hi growth track Indian industry has be on, in the last few years. In fact, all t companies on the list recorded sales over Rs.200 crore, which again is qu an achievement.

All figures in the list are for 1989- and the year before except in the cas of companies which have yet to finali their accounts

TOP 10

Rank	Company	Sales '90	Sales '89	Growth rate
1	TISCO	2135.57	1876.41	13.81
2	TELCO	1969.10	1676.42	17.46
3	Reliance	1860.18	1562.40	19.06
4	ITC	1827.30	1423.51	28.37
5	Cochin Ref	1337.07	1164.14	14.85
6	Grasim	1077.91	829.22	29.99
7	Bajaj Auto	1064.63	832.38	27.90
8	Larsen & Toubro	1024.07	739.81	38.42
9	Hind Lever	1008.17	847.80	18.92
10	ACC	990.98	900.09	10.10

10 WINNERS IN SALES GROWTH

Rank	Company	Sales '90	Sales '89	Growth rate
1	Videocon Int	417.78	70.59	491.84
2	Jaiprakash Ind	327.43	173.91	88.28
3	Ashok Leyland	864.28	529.10	63.35
4	Mangalore Chem	227.01	144.81	56.76
5	Jindal Strips	280.90	187.12	50.12
6	Indian Alu	548.04	366.90	49.37
7	Tata Tea	270.49	185.14	46.10
8	Lakshmi Machine	235.01	166.73	40.95
9	Dunlop	581.07	417.90	39.05
10	Baroda Rayon	247.96	178.56	38.87

10 LAGGARDS IN SALES GROWTH

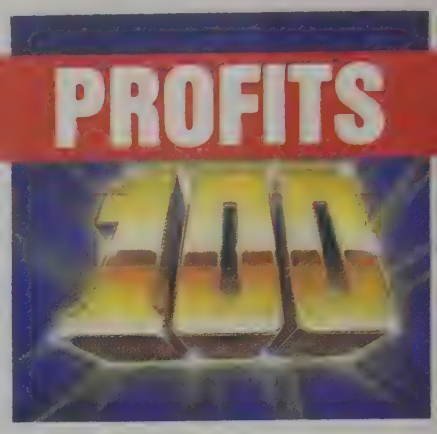
Rank	Company	Sales '90	Sales '89	Growt ra
1	Bajaj Tempo	221.10	259.60	−14.8
2	Zuari Agro	264.26	277.66	−4.8
3	Ferro Alloys	221.08	220.73	0.1
4	Peico	416.94	405.00	2.9
5	Guj Narmada	330.44	318.37	3.7
6	Tata Chem	309.02	291.72	5.9
7	DCM Ltd	800.23	754.30	6.0
8	IDI	217.03	203.68	6.5
9	Modi Rubber	482.26	451.46	6.8
10	GTC	244.82	227.90	7.4

All amounts in Rs crore

Rank	Company	Sales '90	Sales '89	Growth rate
11	Mah & Mah	921.61	700.79	31.51
12	Ashok Leyland	864.28	529.10	63.35
13	SPIC	812.42	661.28	22.86
14	DCM Ltd	800.23	754.30	6.09
15	J.K. Synthetics	781.17	678.60	15.11
16	Escorts	769.82	626.68	22.84
17	Century Tex	744.78	549.54	35.53
18	GSFC	693.37	552.77	25.44
19	ICI	644.85	584.65	10.30
20	Hind Motor	617.98	539.07	14.64
21	Hindalco	608.07	450.84	34.87
22	Ballarpur Ind	605.44	514.99	17.56
23	Dunlop	581.07	417.90	39.05
24	MRF	575.09	496.72	15.78
25	Indian Alu	548.04	366.90	49.37
26	Brooke Bond	541.34	425.99	27.08
27	Mukand	527.42	421.34	25.18
28	Cromp Greaves	517.00	430.90	19.98
29	Voltas	503.73	455.17	10.67
30	Shaw Wallace	497.90	374.00	33.13
31	CESC	487.24	429.67	13.40
32	Modi Rubber	482.26	451.46	6.82
33	NOCIL	475.67	365.60	30.11
34	Lipton India	475.20	391.88	21.26
35	Godfrey Phillip	468.41	362.99	29.04
36	Birla Jute	467.84	404.84	15.56
37	Premier Auto	465.17	346.99	34.06
38	Indo Gulf Fert	439.61	0.00	
39	Tata Power	421.70	379.47	11.13
40	Ceat	421.20	372.60	13.04
41	Videocon Int	417.78	70.59	491.84
42	Peico	416.94	405.00	2.95
43	Century Enka	408.76	315.62	29.51
44	Indian Rayon	405.00	310.00	30.65
45	Bombay Dyeing	393.91	360.91	9.14
46	BSES	390.20	324.50	20.25
47	VST	374.58	289.43	29.42
48	Rallis	360.66	326.33	10.52
49	Madura Coats	342.49	282.21	21.36
50	Raymond Woollen	342.21	293.50	16.60
51	Tata Oil	339.50	288.56	17.65
52	Guj Narmada	330.44	318.37	3.79
53	Jaiprakash Ind	327.43	173.91	88.28
54	BATA	321.85	259.36	24.09
55	Britannia	321.28	272.91	17.72

Rank	Company	Sales '90	Sales '89	Growth rate
56	Tata Chem	309.02	291.72	5.93
57	Glaxo	307.50	270.15	13.83
58	Siemens	296.96	239.42	24.03
59	J.K. Ind	292.93	227.09	28.99
60	Hoechst	286.43	215.81	32.72
61	Jindal Strips	280.90	187.12	50.12
62	Colgate	277.10	234.07	18.38
63	Tata Tea	270.49	185.14	46.10
64	Ahmedabad Elect	269.84	220.48	22.39
65	MICO	269.51	233.40	15.47
66	Hind Develop	268.05	199.95	34.06
67	Zuari Agro	264.26	277.66	– 4.83
68	Amrit Banaspati	260.82	224.45	16.20
69	Nestle India	258.80	210.27	23.08
70	Andhra Valley	253.96	227.23	11.76
71	E.I.D. Parry	251.74	233.98	7.59
72	Standard Ind	251.69	198.80	26.60
73	Hind Ciba	250.80	207.29	20.99
74	Coromandal Fert	248.46	184.40	34.74
75	Baroda Rayon	247.96	178.56	38.87
76	Ind Organic	245.56	221.64	10.79
77	GTC	244.82	227.90	7.42
78	Orient Paper	241.41	196.97	22.56
79	GKW Ltd	240.11	192.55	24.70
80	McDowell	239.97	191.70	25.18
81	Oswal Agro	235.32	190.15	23.75
82	Lakshmi Machine	235.01	166.73	40.95
83	Union Carbide	234.19	206.31	13.51
84	Kelvinator	233.41	191.45	21.92
85	Kirloskar Cum	233.10	199.39	16.91
86	Great Eastern	229.13	165.62	38.35
87	Polyolefins	227.79	195.36	16.60
88	JCT Ltd	227.02	191.59	18.49
89	Mangalore Chem	227.01	144.81	56.76
90	Asian Paints	226.77	177.43	27.81
91	LML	225.76	185.42	21.76
92	Kesoram Ind	225.61	188.78	19.51
93	Goodyear	224.26	185.88	20.65
94	Mafatlal Fine	222.68	199.69	11.51
95	Bajaj Tempo	221.10	259.60	– 14.83
96	Ferro Alloys	221.08	220.73	0.16
97	Vikrant Tyres	219.32	200.70	9.28
98	IDI	217.03	203.68	6.55
99	Greaves Cotton	216.56	190.28	13.81
100	Special Steels	210.73	166.87	26.28

TISCO leads but with just a 7 per cent increase in profits. Aluminium giants Indian Aluminium and Hindalco both record profit increase in excess of 150 per cent and jump into the first 10 positions



The Indian corporate sector has been enjoying a phenomenally successful two years as far as profit and profitability go. And this is very much evident in the 27 per cent growth rate in profit the 100 companies featured here have displayed collectively in the current year. Among the most notable gainers were two of India's largest private sector aluminium companies — Indian Aluminium and Hindustan Aluminium. These two do not feature anywhere near the top 10 in the Business India Sales 100 list — Indal is at 25 and Hindalco at 21. But in the Profits 100, Indian Aluminium has moved up to the seventh position recording 183 per cent growth in sales while Hindalco saw its profits jump by 150 per cent as it climbed to the ninth position. The obvious explanation here is a fact that the government decontrolled aluminium last year as a result of which these companies have been able to reap substantial profits.

TOP 10

Rank	Company	Profit '90	Profit '89	Growth rate
1	TISCO	294.62	273.98	7.53
2	Reliance	252.47	221.55	13.96
3	TELCO	197.20	128.28	53.73
4	Bajaj Auto	163.57	97.31	68.09
5	Grasim	128.33	92.27	39.08
6	Century Tex	120.80	57.10	111.56
7	Indian Alu	106.10	37.42	183.54
8	Hind Lever	105.08	93.99	11.80
9	Hindalco	104.06	41.60	150.14
10	Larsen & Toubro	103.57	71.33	45.20

Apart from these two, there aren't very many other surprises at least in the top 10 in the Profits 100. Tisco leads the way but with just a 7 per cent increase in profits — quite a disappointment after its excellent performance in the previous year. But Telco, on the other hand, recorded a 53 per cent growth. Century Textiles saw its profits jump by 111 per cent, but it still does not feature in the list of 10 biggest gainers in the profit sweepstakes.

Not very surprisingly, t big leader among the gain was Videocon Internatio with a 409 per cent grow Peico, because it turn around (from loss of Rs crore to a profit of Rs. crore), saw its profit jump 290 per cent. GKW w another gainer, with 146 p cent increase in profits, an i dicator of the fact that t company is finally comi out of a rut.

As many as 13 compani recorded a negative grow rate in sales, with Orkay lea ing the pack with a 75 p cent fall, ICI dropped by 66 per cent a Rallis by 55 per cent. MRF also saw profits decline by 25 per cent, a sto that is common to two other tyre co panies as well — Dunlop and Mo Rubber.

All figures in the list are for 1989-9 and the year before, except in the cas of companies which have yet to finali their accounts in which case the figur are for the two previous years.

10 WINNERS IN PROFITS GROWTH

Rank	Company	Profit '90	Profit '89	Growth rate
1	Videocon Int	40.45	7.94	409.45
2	Tata Tea	76.75	22.89	235.30
3	National Rayon	13.61	4.41	208.62
4	Indian Alu	106.10	37.42	183.54
5	Hindalco	104.06	41.60	150.14
6	VST	13.72	5.53	148.10
7	Hind Motor	14.96	6.34	135.96
8	Orient Paper	17.79	8.23	116.16
9	Tamilnadu Petro	34.80	16.10	116.15
10	Century Tex	120.80	57.10	111.56

10 LAGGARDS IN PROFITS GROWTH

Rank	Company	Profit '90	Profit '89	Growt rat
1	Peico	16.93	−8.87	−290.8
2	ICI	18.40	55.57	−66.8
3	Jagatjit Ind	13.42	32.94	−59.2
4	MRF	22.75	30.70	−25.9
5	Dunlop	26.80	32.06	−16.4
6	Birla Jute	25.89	30.96	−16.3
7	Vikrant Tyres	14.53	17.25	−15.7
8	Standard Ind	13.45	15.50	−13.2
9	Modi Rubber	25.06	28.50	−12.0
10	Zuari Agro	19.80	21.75	−8.9

All amounts in Rs. crore

Rank	Company	Profit '90	Profit '89	Growth rate
11	ITC	98.83	53.00	86.47
12	Indo Gulf Fert	98.37	0.00	
13	GSFC	88.76	56.48	57.15
14	Century Enka	86.90	68.89	26.14
15	Cochin Ref	82.26	61.23	34.35
16	NOCIL	81.56	60.56	34.68
17	Great Eastern	78.27	58.56	33.66
18	Tata Chem	77.29	67.79	14.01
19	Tata Tea	76.75	22.89	235.30
20	ACC	66.84	40.32	65.77
21	Ballarpur Ind	66.46	36.01	84.56
22	J.K. Synthetics	64.80	45.06	43.81
23	Guj Narmada	55.11	30.75	79.22
24	Colgate	52.70	45.99	14.59
25	Brooke Bond	51.11	42.32	20.77
26	Motor Ind	48.63	44.81	8.52
27	Tata Power	48.31	29.15	65.73
28	Bombay Dyeing	48.11	41.83	15.01
29	Indian Rayon	47.45	31.00	53.06
30	Escorts	45.20	27.62	63.65
31	Ashok Leyland	42.66	35.45	20.34
32	Ceat	42.27	40.99	3.12
33	Jaiprakash Ind	42.16	27.43	53.70
34	SPIC	41.71	35.21	18.46
35	Raymond Woollen	41.07	41.99	−2.19
36	Videocon Int	40.45	7.94	409.45
37	Mah & Mah	40.16	32.16	24.88
38	Baroda Rayon	39.05	24.33	60.50
39	Polyolefins	35.27	33.27	6.01
40	Tamilnadu Petro	34.80	16.10	116.15
41	Madura Coats	34.65	27.65	25.32
42	J.K. Ind	34.60	31.61	9.46
43	Siemens	34.47	20.64	67.01
44	HDFC	34.23	24.30	40.86
45	Mukand	32.24	35.02	−7.94
46	Modipon Ind	31.20	21.81	43.05
47	Hind Ciba	31.13	25.10	24.02
48	Oswal Agro	30.67	19.50	57.28
49	Hind Develop	30.21	22.78	32.62
50	Andhra Valley	30.04	17.15	75.16
51	JCT Ltd	28.85	18.85	53.05
52	Asian Paints	27.28	19.40	40.62
53	Premier Auto	27.26	22.93	18.88
54	Cromp Greaves	27.26	14.82	83.94
55	Special Steels	27.16	19.36	40.29
56	Nestle India	26.99	22.00	22.68
57	Dunlop	26.80	32.06	−16.41
58	Birla Jute	25.89	30.96	−16.38
59	Kirloskar Cum	25.69	16.70	53.83
60	Ferro Alloys	25.29	23.93	5.68
61	Modi Rubber	25.06	28.50	−12.07
62	CESC	24.88	19.84	25.40
63	Voltas	24.80	20.06	23.63
64	Shaw Wallace	23.86	20.36	17.19
65	Glaxo	23.33	20.27	15.10
66	Bajaj Tempo	23.25	18.48	25.81
67	DCM Ltd	23.07	19.23	19.97
68	MRF	22.75	30.70	−25.90
69	Ind Organic	22.07	17.47	26.33
70	Bharat Forge	21.08	14.71	43.30
71	Lakshmi Machine	21.07	13.27	58.78
72	Apollo Tyres	21.00	20.83	0.82
73	Zuari Agro	19.80	21.75	−8.97
74	Ahmed Elec	19.46	12.92	50.62
75	Tata Hydro Elec	19.46	11.68	66.61
76	Jindal Strips	19.06	12.08	57.78
77	Straw Prod	18.55	9.36	98.18
78	ICI	18.40	55.57	−66.89
79	Garden Silk	18.16	17.76	2.25
80	Orient Paper	17.79	8.23	116.16
81	Goodyear	17.68	17.09	3.45
82	Britannia	17.34	15.40	12.60
83	BSES	17.33	13.08	32.49
84	Lipton India	17.33	15.12	14.62
85	Shree Synth	17.24	12.11	42.36
86	Andrew Yule	17.14	9.50	80.42
87	E.I.D. Parry	16.96	15.39	10.20
88	Peico	16.93	−8.87	−290.87
89	Hind Motor	14.96	6.34	135.96
90	McDowell	14.59	14.94	−2.34
91	Vikrant Tyres	14.53	17.25	−15.77
92	Kelvinator	14.45	11.82	22.25
93	Hoechst	14.16	6.83	107.32
94	Sandoz Ind	13.86	9.56	44.98
95	VST	13.72	5.53	148.10
96	National Rayon	13.61	4.41	208.62
97	Standard Ind	13.45	15.50	−13.23
98	Jagatjit Ind	13.42	32.94	−59.26
99	Ranbaxy Labs	13.35	10.19	31.01
100	Arvind Mills	12.56	8.12	54.68

MARKET VALUE 100

Colgate despite its small asset base is number 11 on the market value list. TISCO has a Rs.1,400 crore lead over its nearest rival Telco. The steel giant recorded a 104 per cent increase in market capitalisation last year

Market capitalisation is an indicator of the investors' view of a company's worth on the stockmarket. There was a time when the total market capitalisation of all Indian companies taken together was less than that of the US computer giant, IBM. With the stockmarket boom, things have changed. The total market capitalisation of the Super 100 exceeded Rs.42,000 crore last year. No doubt, their scrips are the most traded on the Indian stockmarkets. But more important, this figure has increased by as much as Rs.20,000 crore in the last year alone.

Expectedly, Tisco leads the way in market capitalisation as well. A distant second is its nearest rival and stablemate Telco — over Rs.1,400 crore behind. The steel giant recorded a 104 per cent rise in its market capitalisation in a year which is not even considered to be among its best. But even this rise pales in comparison with the kind of growth achieved in 1989-90 by some of the other major companies. Laxmi Machine Tools saw its market value rise by as much as 1,488 per cent, ACC 575 per cent, Telco 121 per cent, Bajaj Auto 116 per cent, Grasim 130 per cent and GSFC 160 per cent.

Not surprisingly, companies like Colgate, despite a very low asset base (it does not even feature on *Business India*'s Asset 100 list) is high up on the market capitalisation list at number 11. Mico is another one: 96th on the asset list but ranked 26th by market capitalisation.

As in the other lists the laggards are as prominent as the gainers. As many as nine companies have registered decline in their market capitalisation. Standard Industries is at the bottom of the heap with a decline of 69 per cent, followed by Ceat Tyre at 31 per cent. As many as four of these nine are tyre companies — Apollo Tyre, Modi Rubber and Dunlop apart from Ceat. This is an indication of the bad times the tyre industry is going through, just a year after it was among the top profit-makers in the corporate sector. MRF, the country's largest tyre manufacturer, did barely better, gaining only about 9 per cent in market capitalisation — just enough to beat inflation.

All figures in the list are for 1989-90 and the year before except in the case of companies which have yet to finalise their accounts in which case the figures are for the two previous years was used to make this list.

TOP 10

Rank	Company	Market Value '90	Market Value '89	Growth rate
1	TISCO	3853.92	1888.81	104.04
2	TELCO	2418.00	1089.92	121.85
3	Reliance	2387.97	1627.47	46.73
4	Hind Lever	1441.37	922.57	56.23
5	Bajaj Auto	1316.00	607.24	116.72
6	Grasim	1276.80	553.70	130.59
7	GSFC	1162.20	445.50	160.88
8	Larsen & Toubro	1134.38	625.21	81.44
9	Century Tex	1092.00	557.70	95.80
10	ACC	1036.00	153.44	575.18

10 WINNERS IN MARKET VALUE GROWTH

Rank	Company	Market Value '90	Market Value '89	Growth rate
1	Lakshmi Machine	216.00	13.60	1488.24
2	ACC	1036.00	153.44	575.18
3	VST	106.70	16.25	556.62
4	Bharat Forge	248.20	42.40	485.38
5	Tata Power	335.00	68.00	392.65
6	Videocon Int	143.85	31.25	360.32
7	ITC	895.05	207.90	330.52
8	Tata Oil	111.00	27.01	310.96
9	Hind Develop	329.70	80.64	308.85
10	Asea Brown	147.00	36.57	301.97

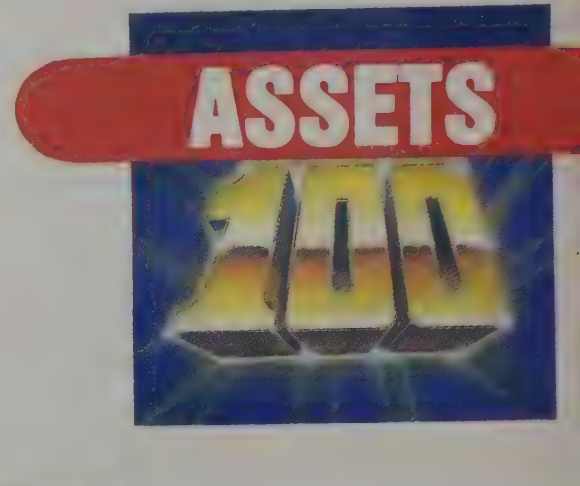
10 LAGGARDS IN MARKET VALUE GROWTH

Rank	Company	Market Value '90	Market Value '89	Growth rate
1	Standard Ind	118.25	385.00	-69.29
2	Ceat	185.00	269.36	-31.32
3	J.K. Ind	112.00	142.48	-21.39
4	Tamilnadu Petro	180.19	185.06	-2.63
5	Indrol	165.85	166.78	-0.56
6	Dunlop	152.00	152.00	0.00
7	Tata Chem	575.64	556.76	3.39
8	Mah & Mah	188.17	175.63	7.14
9	Glaxo	202.00	185.00	9.19
10	Great Eastern	291.54	265.68	9.73

All amounts in Rs crore

Rank	Company	Market Value '90	Market Value '89	Growth rate
11	Colgate	996.95	265.33	275.74
12	Indian Alu	944.13	593.45	59.09
13	ITC	895.05	207.90	330.52
14	Century Enka	784.00	452.00	73.45
15	NOCIL	648.00	379.80	70.62
16	Brooke Bond	640.90	208.25	207.76
17	Tata Tea	628.42	312.93	100.82
18	Ballarpur Ind	599.20	187.55	219.49
19	Indo Gulf Fert	594.00	231.00	157.14
20	Oswal Agro	580.20	247.35	134.57
21	Tata Chem	575.64	556.76	3.39
22	Cochin Ref	561.00	224.40	150.00
23	Hindalco	516.00	460.10	12.15
24	Guj Narmada	485.46	323.64	50.00
25	Nestle India	484.95	312.00	55.43
26	MICO	475.00	235.60	101.61
27	Escorts	449.18	250.86	79.06
28	Bombay Dyeing	442.40	138.88	218.55
29	Madura Coats	414.20	211.46	95.88
30	Indian Rayon	409.57	208.28	96.64
31	JCT Ltd	385.00	99.75	285.96
32	Ashok Leyland	370.12	160.50	130.60
33	Asian Paints	341.85	264.45	29.27
34	Tata Power	335.00	68.00	392.65
35	Hind Develop	329.70	80.64	308.85
36	Birla Jute	324.80	103.53	213.73
37	Baroda Rayon	323.00	128.25	151.85
38	Britannia	297.60	142.60	108.70
39	Hind Ciba	297.50	147.90	101.15
40	Kirloskar Cum	297.00	180.84	64.23
41	Hoechst	297.00	75.60	292.86
42	J.K. Synthetics	293.76	204.93	43.35
43	Great Eastern	291.54	265.68	9.73
44	Voltas	277.20	111.54	148.52
45	Siemens	275.60	143.52	92.03
46	Polyolefins	275.50	218.50	26.09
47	Mukand	271.95	194.04	40.15
48	ICI	265.20	236.64	12.07
49	SPIC	250.75	176.80	41.83
50	Bharat Forge	248.20	42.40	485.38
51	Raymond Woollen	245.25	182.25	34.57
52	Amrit Banaspati	244.85	82.80	195.71
53	Jaiprakash Ind	242.19	105.44	129.69
54	Special Steels	216.60	121.60	78.12
55	Lakshmi Machine	216.00	13.60	1488.24

Rank	Company	Market Value '90	Market Value '89	Growth rate
56	Cromp Greaves	213.75	118.80	79.92
57	Peico	208.12	64.94	220.48
58	Glaxo	202.00	185.00	9.19
59	Mah & Mah	188.17	175.63	7.14
60	Ceat	185.00	269.36	-31.32
61	Tamilnadu Petro	180.19	185.06	-2.63
62	Coromandal Fert	176.18	53.46	229.55
63	Orient Paper	172.50	71.88	139.98
64	Indrol	165.85	166.78	-0.56
65	Orkay Silk	162.70	80.60	101.86
66	Ind Organic	158.24	86.48	82.98
67	MRF	152.10	138.45	9.86
68	Dunlop	152.00	152.00	0.00
69	Lipton India	150.10	113.76	31.94
70	DCM Ltd	149.50	124.20	20.37
71	Jindal Strips	148.50	79.20	87.50
72	Bajaj Tempo	148.50	94.38	57.34
73	Zuari Agro	147.60	119.72	23.29
74	Asea Brown	147.00	36.57	301.97
75	Shaw Wallace	144.00	120.00	20.00
76	GKW Ltd	144.00	50.40	185.71
77	Straw Prod	143.93	80.80	78.13
78	Videocon Int	143.85	31.25	360.32
79	Union Carbide	140.18	64.38	117.74
80	Premier Auto	138.69	93.15	48.89
81	Kesoram Ind	138.60	44.00	215.00
82	Andhra Valley	138.60	36.30	281.82
83	CESC	137.70	52.70	161.29
84	Hind Motor	132.00	87.12	51.52
85	Standard Ind	118.25	385.00	-69.29
86	J.K. Ind	112.00	142.48	-21.39
87	Ranbaxy Labs	111.48	79.98	39.38
88	Tata Oil	111.00	27.01	310.96
89	VST	106.70	16.25	556.62
90	Goodyear	106.65	72.00	48.13
91	Mafatlal Ind	104.00	33.80	207.69
92	Tata Hydro Elec	102.00	26.00	292.31
93	Wipro	101.75	68.40	48.76
94	BATA	98.70	68.25	44.62
95	Ahmedabad Elect	94.50	45.15	109.30
96	BSES	93.60	84.82	10.35
97	LML	91.52	28.05	226.27
98	Greaves Cotton	90.00	60.00	30.43
99	VXL India	89.90	73.95	21.57
100	Atul Products	88.48	47.40	86.67



The list of companies ranked by assets is dominated by the capital intensive ones. Most have relied heavily on capital markets in recent years including TISCO, Reliance and Grasim

TOP 10

Rank	Company	Assets '90	Assets '89	Growth rate
1	TISCO	2286.65	1413.26	61.80
2	Reliance	2203.11	2123.65	3.74
3	Grasim	1875.00	647.08	189.76
4	HDFC	1385.60	1056.18	31.19
5	Larsen & Toubro	1158.00	786.56	47.22
6	TELCO	971.97	736.37	31.99
7	Indo Gulf Fert	770.60	574.08	34.23
8	Jaiprakash Ind	737.95	380.67	93.86
9	SPIC	658.59	664.33	−0.86
10	Tata Chem	649.72	514.35	26.32

A company accumulates assets either through the retention of internally generated funds or drawals on capital and money markets. The growth of a company's assets is a measure both of its ability to tap various markets for funds and its profitable use of existing assets. Both matter. A company like Colgate could probably tap the market for Rs.500 crore if it wished to. It does not do so because it is unlikely to be able to find a profitable use for the money. This also makes it pay high dividends, thereby keeping its measured assets low. However, if a true measure of assets — one that included marketing strength — was possible, Colgate would surely figure in the list.

Instead, the list of companies ranked by assets is dominated by the capital-intensive ones. Most have relied heavily on capital markets in recent years, including Tata Steel, Reliance and Grasim. Larsen and Toubro, which came out with the biggest ever public issue last year exceeding Rs.900 crore, will probably rise in rank next year once all the issue money is called in. An exception to growth via capital markets is HDFC, which relies primarily on money markets for new funds.

Interestingly, the company with the highest growth in assets employed — Videocon International — is one which has figured heavily in stockmarket performance lists over the last two years. This once-small compan has used capital markets i the past, but most of its in crease in capital employe arose from an unprece dented earnings per share Rs.95 last year. A similar situ ation arose for Century Enka Apart from Asea Brow Boveri, which grew as a resul of the merger of Asea an Hindustan Brown Boveri, a the other high performer added assets via new issue big and small.

The laggards have gener ally performed poorly o other counts as well in th past year. This list is dominated b fertiliser companies, for all of whic 1989 was a bad year, thanks to a chang in fertiliser pricing policy. A prominen exception is ACC, which shrank be cause it sold off many of its plants tha were losing money all over the country

All figures in the list are for 1989-9 and the year before except in the case of companies which have yet to finalis their accounts in which case the figure are for the two previous years.

10 WINNERS IN ASSETS GROWTH

Rank	Company	Assets '90	Assets '89	Growth rate
1	Videocon Int	109.42	21.33	412.99
2	Oswal Agro	491.52	144.44	240.29
3	Grasim	1875.00	647.08	189.76
4	Jindal Strips	123.96	61.82	100.52
5	Apollo Tyres	181.63	91.96	97.51
6	Jaiprakash Ind	737.95	380.67	93.86
7	McDowell	246.66	136.58	80.60
8	Asea Brown	124.44	69.98	77.82
9	Century Enka	379.98	215.79	76.09
10	HCL	109.03	63.51	71.67

10 LAGGARDS IN ASSETS GROWTH

Rank	Company	Assets '90	Assets '89	Growth rate
1	Zuari Agro	138.19	157.03	−12.0
2	ICI	328.07	360.76	−9.0
3	ACC	441.53	454.55	−2.8
4	Ind Organic	142.66	146.26	−2.4
5	Mangalore Chem	240.24	245.79	−2.2
6	Modi Rubber	136.01	138.77	−1.9
7	Mafatlal Ind	113.76	115.47	−1.4
8	Peico	118.02	119.40	−1.1
9	GKW Ltd	101.76	102.76	−0.9
10	SPIC	658.59	664.33	−0.8

All amounts in Rs. crore

Rank	Company	Assets '90	Assets '89	Growth rate
11	GSFC	628.92	544.95	15.41
12	Guj Narmada	600.08	531.79	12.84
13	CESC	594.92	507.35	17.26
14	Century Tex	546.55	468.03	16.78
15	Mah & Mah	528.26	353.80	49.31
16	Ahmedabad Elect	503.93	436.44	15.46
17	Tata Power	500.15	415.78	20.29
18	Oswal Agro	491.52	144.44	240.29
19	Ballarpur Ind	461.03	415.15	11.05
20	Bajaj Auto	450.93	400.49	12.59
21	ACC	441.53	454.55	−2.86
22	Hindalco	437.80	292.49	49.68
23	Indian Rayon	436.82	405.85	7.63
24	ITC	407.01	362.60	12.25
25	Century Enka	379.98	215.79	76.09
26	Ashok Leyland	375.93	273.75	37.33
27	Hind Lever	356.71	323.50	10.27
28	Cochin Ref	348.42	285.11	22.21
29	Birla Jute	341.69	325.06	5.12
30	Hind Motor	337.83	300.48	12.43
31	ICI	328.07	360.76	−9.06
32	Great Eastern	321.33	280.44	14.58
33	Raymond Woollen	305.73	208.55	46.60
34	Kesoram Ind	304.71	239.29	27.34
35	Andhra Valley	295.97	243.26	21.67
36	Escorts	284.54	247.09	15.16
37	J.K. Synthetics	278.07	234.27	18.70
38	Brooke Bond	268.36	156.58	71.39
39	Hind Develop	260.43	183.56	41.88
40	Dunlop	260.37	250.72	3.85
41	JCT Ltd	253.16	170.21	48.73
42	Madura Coats	248.02	229.87	7.90
43	McDowell	246.66	136.58	80.60
44	Bombay Dyeing	242.02	208.72	15.95
45	NOCIL	241.66	210.33	14.90
46	Mangalore Chem	240.24	245.79	−2.26
47	Indian Alu	239.43	207.16	15.58
48	DCM Ltd	239.16	205.32	16.48
49	Mukand	218.75	173.50	26.08
50	Tamilnadu Petro	211.99	190.19	11.46
51	Tata Tea	210.55	165.31	27.37
52	Tata Hydro Elec	200.96	166.93	20.39
53	Cromp Greaves	200.17	159.73	25.32
54	LML	199.08	199.40	−0.16
55	Orkay Silk	198.99	190.43	4.50
56	Premier Auto	197.12	168.73	16.83
57	Orient Paper	194.13	180.33	7.65
58	Straw Prod	189.56	181.97	4.17
59	Coromandal Fert	187.68	170.82	9.87
60	Texmaco	185.92	176.61	5.27
61	Ceat	183.97	158.77	15.87
62	BSES	183.22	144.04	27.20
63	Apollo Tyres	181.63	91.96	97.51
64	Bharat Forge	159.58	100.17	59.31
65	MRF	157.37	126.75	24.16
66	Garden Silk	154.03	91.19	68.91
67	Standard Ind	152.37	152.60	−0.15
68	Voltas	148.59	134.82	10.21
69	Polyolefins	148.58	110.33	34.67
70	Zenith Steel	147.74	101.47	45.60
71	Baroda Rayon	145.66	117.76	23.69
72	Hoechst	144.12	109.60	31.50
73	Ind Organic	142.66	146.26	−2.46
74	Garware Nylons	141.98	142.13	−0.11
75	Zuari Agro	138.19	157.03	−12.00
76	IDI	137.34	124.60	10.22
77	Modi Rubber	136.01	138.77	−1.99
78	Arvind Mills	134.13	111.73	20.05
79	Siemens	133.74	123.54	8.26
80	Asian Paints	132.99	96.53	37.77
81	Kirloskar Cum	130.12	121.92	6.73
82	Nestle India	128.20	103.77	23.54
83	J.K. Ind	127.17	116.29	9.36
84	Glaxo	127.12	112.05	13.45
85	IOL	125.33	120.04	4.41
86	Asea Brown	124.44	69.98	77.82
87	Jindal Strips	123.96	61.82	100.52
88	Peico	118.02	119.40	−1.16
89	Shaw Wallace	117.57	83.33	41.09
90	Tata Oil	115.82	94.89	22.06
91	Mafatlal Ind	113.76	115.47	−1.48
92	Andrew Yule	113.65	107.24	5.98
93	Modipon Ind	113.36	90.01	25.94
94	GTC	112.54	100.21	12.30
95	Rallis	112.06	85.94	30.39
96	MICO	111.28	96.63	15.16
97	Videocon Int	109.42	21.33	412.99
98	HCL	109.03	63.51	71.67
99	National Rayon	107.81	102.21	5.45
100	GKW Ltd	101.76	102.76	−0.9

Khazana
FOR MEN



48 HOUR CUSTOM TAILORING. JODHPURS, ACHKANS, SUITS, READYMADE JACKETS, SHIRTS, KURTAS. DESIGNER TIES, CRAVATS, DRESSING GOWNS, ACCESSORIES, BELTS, WALLETS, CUFF LINKS, BRIEFCASES, LUGGAGE. HIGH QUALITY, SUPERB FINISH, EXCELLENT VALUE. 9 AM TO 9 PM, 7 DAYS A WEEK.

THERE'S MUCH MORE AT KHAZANA.

Khazana

House of Indian Treasure

MAHAL HOTEL, NEW DELHI TAJ PALACE INTERCONTINENTAL HOTEL, NEW DELHI TAJ VIEW HOTEL, AGRA. JAI MAHAL PALACE HOTEL, JAIPUR

The Super 100 companies have been at the forefront of the stockmarket boom in India. They continue to lead stock price movements from the front. But how have they fared individually on the stockmarkets



Super 100 Rank	Company	Gross Profit Margin (%)	Earnings per share (Rs.)	Dividend (%)	Share price (12 Sep '89)	Share price (12 Sep '90)	1990 High	1990 Low	PE ratio
1	TISCO	13.80	6.31	30.00	121.00	168.00	176.00	103.00	19.18
2	Reliance	13.57	5.95	30.00	107.00	157.00	199.00	50.00	17.98
3	TELCO	10.01	10.57	30.00	104.80	232.50	250.00	110.00	9.91
4	Grasim	11.91	9.12	30.00	113.00	210.00	215.00	106.00	12.39
5	Larsen & Toubro	10.11	5.70	25.00	103.00	151.25	175.00	57.00	18.07
6	Bajaj Auto	15.36	32.53	110.00	323.00	700.00	650.00	355.00	9.93
7	Century Tex	16.22	215.82	40.00	2145.00	4200.00	4550.00	2420.00	9.94
8	Hind Lever	10.42	5.77	35.00	98.25	153.50	146.00	101.00	17.03
9	GSFC	12.80	12.18	30.00	165.00	260.00	262.00	155.00	13.55
10	ITC	5.41	8.05	37.50	63.00	135.00	145.00	57.00	7.83
11	ACC	6.74	31.80	15.00	274.00	1850.00	1470.00	320.00	8.62
12	Cochin Ref	6.15	75.90	21.00	330.00	825.00	950.00	470.00	4.35
13	Hindalco	17.11	35.18	37.50	267.50	300.00	395.00	201.00	7.60
14	Indo Gulf Fert	22.38	−1.14	0.00	14.00	36.00	40.00	24.00	0.00
15	Ballarpur Ind	10.98	19.19	28.00	121.00	280.00	280.00	115.00	6.31
16	Indian Alu	19.36	14.10	30.00	143.00	227.50	220.00	114.00	10.14
17	Century Enka	21.26	311.09	50.00	2825.00	4900.00	5650.00	2975.00	9.08
18	Ashok Leyland	4.94	5.83	25.00	75.00	117.50	125.00	68.00	12.86
19	Brooke Bond	9.44	6.40	30.00	85.00	145.00	145.00	95.00	13.28
20	Tata Chem	25.01	8.30	30.00	124.00	117.00	165.00	98.00	14.94
21	SPIC	5.13	6.80	16.00	52.00	73.75	76.00	50.00	7.65
22	NOCIL	17.15	112.56	40.00	1055.00	1800.00	1660.00	1070.00	9.37
23	Escorts	5.87	6.59	300.00	74.00	132.50	137.00	78.00	11.23
24	Guj Narmada	16.68	0.38	15.00	36.00	54.00	48.00	33.00	94.74
25	J.K. Synthetics	8.30	4.04	22.00	81.00	76.50	90.00	50.00	20.05
26	Tata Power	11.46	200.00	200.00	340.00	1675.00	1700.00	350.00	1.70
27	Mah & Mah	4.36	8.30	25.00	91.00	97.50	105.00	67.00	10.96
28	Indian Rayon	11.72	7.60	300.00	82.00	161.25	160.00	77.00	10.79
29	Bombay Dyeing	12.21	21.01	40.00	124.00	395.00	410.00	175.00	5.90
30	Jaiprakash Ind	12.88	2.38	15.00	16.00	34.50	28.00	12.00	6.72
31	Tata Tea	28.37	24.50	60.00	183.00	367.50	375.00	172.00	7.47
32	Birla Jute	5.53	1.98	18.00	51.00	160.00	160.00	50.00	25.76
33	Madura Coats	10.12	8.47	40.00	97.00	190.00	160.00	100.00	11.45
34	Oswal Agro	13.03	1.33	50.00	85.00	60.00	90.00	32.00	63.91
35	Mukand	6.11	12.90	30.00	132.00	185.00	166.00	127.00	10.23
36	Raymond Woollen	12.00	5.44	20.00	81.00	109.00	120.00	70.00	14.89
37	ICI	2.85	−2.98	0.00	58.00	65.00	65.00	30.00	0.00
38	Great Eastern	34.16	4.98	12.00	41.00	43.00	55.00	39.00	8.23
39	Dunlop	4.61	4.82	30.00	80.00	80.00	76.00	50.00	16.60
40	Hind Develop	11.27	4.03	20.00	96.00	105.00	140.00	70.00	23.82
41	CESC	5.11	7.90	20.00	31.00	81.00	59.00	30.25	3.92
42	Cromp Greaves	5.27	63.65	18.00	1320.00	1125.00	1150.00	900.00	20.74
43	Ceat	10.04	15.21	30.00	182.00	125.00	160.00	75.00	11.97

Super 100 Rank	Company	Gross Profit Margin (%)	Earnings per share (Rs.)	Dividend (%)	Share price (12 Sep '89)	Share price (12 Sep '90)	1990 High	1990 Low	PE ratio
44	DCM Ltd	2.88	3.34	0.00	54.00	65.00	77.00	45.00	16.17
45	Voltas	4.92	9.28	24.00	84.50	140.00	135.00	63.00	9.11
46	JCT Ltd	12.71	8.71	30.00	105.00	175.00	170.00	70.00	12.06
47	MICO	18.04	38.40	14.00	620.00	1250.00	1200.00	900.00	16.15
48	Baroda Rayon	15.75	131.83	25.00	675.00	1700.00	1650.00	617.00	5.12
49	Hind Motor	2.42	0.77	7.50	33.00	50.00	55.00	19.00	42.86
50	Colgate	19.02	7.97	52.50	169.00	317.50	325.00	175.00	21.20
51	MRF	3.96	32.00	60.00	355.00	390.00	400.00	175.00	11.09
52	Siemens	11.61	4.75	18.00	69.00	132.50	140.00	96.00	14.53
53	Premier Auto	5.86	6.40	27.00	57.50	67.00	85.00	55.00	8.98
54	Nestle India	10.43	4.00	30.00	162.50	132.50	150.00	100.00	40.62
55	Andhra Valley	11.83	243.87	20.00	330.00	1260.00	1350.00	310.00	1.35
56	Polyolefins	15.48	79.02	35.00	1150.00	1450.00	1525.00	1025.00	14.55
57	Ahmedabad Elect	7.21	23.06	16.00	215.00	450.00	500.00	220.00	9.32
58	Videocon Int	9.68	66.20	40.00	125.00	342.50	350.00	100.00	1.89
59	Asian Paints	12.03	16.03	45.00	205.00	265.00	275.00	207.00	12.79
60	Shaw Wallace	4.79	11.60	42.50	100.00	120.00	118.00	69.00	8.62
61	Tamilnadu Petro	18.56	2.43	12.00	38.00	37.00	34.00	25.00	15.64
62	HDFC	17.61	123.00	20.00	345.00	410.00	490.00	290.00	2.80
63	Glaxo	7.59	5.28	27.00	92.50	101.00	127.00	90.00	17.52
64	Hoechst	4.94	94.47	20.00	840.00	3300.00	3100.00	1260.00	8.89
65	Kirloskar Cum	11.02	4.40	20.00	68.50	112.50	106.00	65.00	15.57
66	Hind Ciba	12.41	91.70	32.00	870.00	1750.00	1850.00	960.00	9.49
67	J.K. Ind	11.81	13.30	25.00	104.00	80.00	88.00	47.00	7.82
68	Modi Rubber	5.20	9.37	20.00	91.00	85.00	90.00	43.00	9.71
69	Peico	4.06	1.40	10.00	19.50	62.50	75.00	23.00	13.93
70	Orient Paper	7.37	7.97	18.00	62.50	150.00	130.00	60.00	7.84
71	Ind Organic	8.99	4.65	15.00	47.00	86.00	80.00	45.00	10.11
72	BSES	4.44	10.41	20.00	72.50	80.00	85.00	31.00	6.96
73	Zuari Agro	7.49	6.60	30.00	73.00	90.00	82.00	50.00	11.06
74	Bharat Forge	10.73	7.44	30.00	80.00	170.00	160.00	85.00	10.75
75	Britannia	5.40	5.25	24.00	115.00	160.00	155.00	97.00	21.90
76	Lipton India	3.65	3.93	22.00	72.00	95.00	112.00	75.00	18.32
77	Jindal Strips	6.79	11.27	40.00	240.00	225.00	240.00	110.00	21.30
78	Kesoram Ind	5.12	-1.91	10.00	44.00	110.00	130.00	40.00	0.00
79	Special Steels	12.89	13.09	25.00	160.00	190.00	180.00	90.00	12.22
80	Standard Ind	5.34	1.62	20.00	350.00	107.50	91.00	61.00	216.05
81	Coromandel Fert	2.39	—4.14	0.00	22.00	72.50	90.00	22.00	0.00
82	Lakshmi Machine	8.97	129.89	25.00	340.00	3600.00	3600.00	690.00	2.62
83	McDowell	6.08	8.72	25.00	80.00	82.50	102.00	65.00	9.17
84	Straw Prod	10.48	7.83	30.00	80.00	142.50	132.00	73.00	10.22
85	Tata Oil	3.11	16.62	20.00	73.00	300.00	280.00	90.00	4.39
86	LML	5.15	-0.70	0.00	17.00	52.00	45.00	15.00	0.00
87	Bajaj Tempo	10.52	10.42	20.00	143.00	225.00	205.00	112.00	13.72
88	Apollo Tyres	11.46	18.26	25.00	130.00	92.50	75.00	41.00	7.12
89	Tata Hydro Elec	11.97	206.00	20.00	325.00	1275.00	1300.00	310.00	1.58
90	Modipon Ind	15.24	18.60	40.00	94.00	66.00	80.00	37.00	5.05
91	Amrit Banaspati	3.39	5.04	21.00	40.00	59.00	62.00	23.00	7.94
92	VST	3.66	6.15	30.00	25.00	110.00	105.00	35.00	4.07
93	Orkay Silk	2.11	0.15	0.00	16.25	37.75	45.00	15.00	108.33
94	BATA	2.91	4.58	15.00	65.00	94.00	87.00	65.00	14.19
95	Rallis	1.55	1.87	10.00	95.00	90.00	105.00	60.00	50.80
96	GKW Ltd	3.02	0.97	15.00	21.00	60.00	55.00	21.00	21.65
97	Goodyear	7.88	6.60	40.00	96.00	67.50	110.00	50.00	14.55
98	Asea Brown Boveri	3.54	5.48	25.00	69.00	150.00	170.00	47.50	12.59
99	Garden Silk	11.49	5.82	30.00	37.00	55.00	60.00	37.50	6.36
100	Ferro Alloy	10.86	17.17	25.00	127.00	72.50	126.00	60.00	4.22

IT'S BLUE
IT'S RED
IT'S GREEN
IT'S WHITE
IT'S COLOURED

and also pregalvanised.
Its corrosion proof
to make an excellent roof.
It is far better
than Asbestos,
and can make Aluminium
lose its class.
Yet, if you choose, it could
look like wood.
In furnitures and cabinets,
it will beat by far all
· laminates.
It will be used in Room interiors,
Washing machines & Refrigerators
Automobiles and Buses will
discover it first.
In Railway Coaches it'll find
a berth.

But what is this so special, what on earth?

The Super 100 alphabetical index

Company	Super Rank	Rank			
		Sales	Profit	Assets	Mkt. Val
ACC	11	10	20	21	10
Ahmedabad Elect	57	64	74	16	95
Amrit Banaspati	91	68	119	125	52
Andhra Valley	55	70	50	35	82
Apollo Tyres	88	112	72	63	104
Asea Brown	98	101	124	86	74
Ashok Leyland	18	12	31	26	32
Asian Paints	59	90	52	80	33
BATA	94	54	114	108	94
BSES	72	46	83	62	96
Bajaj Auto	6	7	4	20	5
Bajaj Tempo	87	95	66	115	72
Ballarpur Ind	15	22	21	19	18
Baroda Rayon	48	75	38	71	37
Bharat Forge	74	104	70	64	50
Birla Jute	32	36	58	29	36
Bombay Dyeing	29	45	28	44	28
Britannia	75	55	82	113	38
Brooke Bond	19	26	25	38	16
CESC	41	31	62	13	83
Ceat	43	40	32	61	60
Century Enka	17	43	14	25	14
Century Tex	7	17	6	14	9
Cochin Ref	12	5	15	28	22
Colgate	50	62	24	126	11
Coromandal Fert	81	74	127	59	62
Cromp Greaves	42	28	54	53	56
DCM Ltd	44	14	67	48	70
Dunlop	39	23	57	40	68
Escorts	23	16	30	36	27
Ferro Alloys	100	96	60	121	117
GKW Ltd	96	79	125	100	76
GSFC	9	18	13	11	7
Garden Silk	99	136	79	66	106
Glaxo	63	57	65	84	58
Goodyear	97	93	81	120	90
Grasim	4	6	5	3	6
Great Eastern	38	86	17	32	43
Guj Narmada	24	52	23	12	24
HDFC	62	106	44	4	107
Hind Ciba	66	73	47	107	39
Hind Develop	40	66	49	39	35
Hind Lever	8	9	8	27	4
Hind Motor	49	20	89	30	84
Hindalco	13	21	9	22	23
Hoechst	64	60	93	72	40
ICI	37	19	78	31	48
ITC	10	4	11	24	13
Ind Organic	71	76	69	73	66
Indian Alu	16	25	7	47	12
Indian Rayon	28	44	29	23	30
Indo Gulf Fert	14	38	12	7	19
J.K. Ind	67	59	42	83	86
J.K. Synthetics	25	15	22	37	42
JCT Ltd	46	88	51	41	31
Jaiprakash Ind	30	53	33	8	53
Jindal Strips	77	61	76	87	71
Kesoram Ind	78	92	103	34	81
Kirloskar Cum	65	85	59	81	41
LML	86	91	102	54	97
Lakshmi Machine	82	82	71	116	55
Larsen & Toubro	5	8	10	5	8
Lipton India	76	34	84	103	69
MICO	47	65	26	96	26
MRF	51	24	68	65	67
Madura Coats	33	49	41	42	29
Mah & Mah	27	11	37	15	59
McDowell	83	80	90	43	116
Modi Rubber	68	32	61	77	101
Modipon Ind	90	102	46	93	119
Mukand	35	27	45	49	47
NOCIL	22	33	16	45	15
Nestle India	54	69	56	82	25
Orient Paper	70	78	80	57	63
Orkay Silk	93	116	132	55	65
Oswal Agro	34	81	48	18	20
Pelco	69	42	88	88	57
Polyolefins	56	87	39	69	46
Premier Auto	53	37	53	56	80
Rallis	95	48	129	95	103
Raymond Woollen	36	50	35	33	51
Reliance	2	3	2	2	3
SPIC	21	13	34	9	49
Shaw Wallace	60	30	64	89	75
Siemens	52	58	43	79	45
Special Steels	79	100	55	109	54
Standard Ind	80	72	97	67	85
Straw Prod	84	123	77	58	77
TELCO	3	2	3	6	2
TISCO	1	1	1	1	1
Tamilnadu Petro	61	109	40	50	61
Tata Chem	20	56	18	10	21
Tata Hydro Elec	89	133	75	52	92
Tata Oil	85	51	110	90	88
Tata Power	26	39	27	17	34
Tata Tea	31	63	19	51	17
VST	92	47	95	135	89
Videocon Int	58	41	36	97	78
Voltas	45	29	63	68	44
Zuari Agro	73	67	73	75	73

DISCOVER THE SHADES OF STEEL
THE WAY THE WORLD HAS DONE



Presenting India's First Colour Coated Steel for wide ranging Applications

The ready to use steel

NIPPON DENRO ISPAT LTD.
Poonam Plaza, Palm Road,
Civil Lines, Nagpur-440 00[illegible]

SOFT DRINKS

Enter the challenger

After five years of lobbying, politicking and acrimony, a global soft drink has made its way through retail outlets to the Indian consumer. Pepsi, the internationally popular yuppie drink, has finally arrived (Bombay and Delhi launches are a month away). With the stakes very high — the Indian soft drink market is worth over Rs.800 crore — Pepsi Foods made a grand entrance. Hindustan Thompson Associates, Delhi, were hired to produce the record 90-second-long commercial. This extravagant visual message, which cost Pepsi around Rs.60 lakh — just a part of the company's huge media campaign — had pop star Remo Fernandez and Bollywood starlet Juhi Chawla croon on national network on the auspicious 15 August. "When you launch a new product, you want it to make everyone sit up and take notice," says Ravi Dhariwal, vice president marketing of Pepsi Foods.

Naturally, Parle has taken notice. The manufacturer of Thums Up, Gold Spot and Limca obviously has no intention of letting Pepsi waltz away with its market share. The Bombay-based soft drinks giant has already upped its mega-advertisement budget by a whopping 35 per cent. "We are positioning ourselves in a more effective manner," claims J.K. Sanzgiri, marketing manager of Parle. As Dhariwal points out, "Parle is likely to outspend us by a 3:1 ratio." Other regional manufacturers — like Duke's in Bombay, Spencers in Madras and Pure Drinks in Delhi and Punjab — may find such marketing manoeuvres too quick, and expensive, to keep up with.

A concerted effort

Whether Parle will best Pepsi or not, in the media, is still to be seen. Whatever the campaign, it will have to make a concerted effort to break through the Pepsi ad offensive. Pepsi's 15 August launch was preceded by several 9-second 'teaser' ads while the rest of its campaign includes a 30-second take-off on the film *Top Gun*. The 7UP ad uses Pepsico's internationally popular cartoon creation — "Fido Dido". The TV insertions will, of course, be backed by film and print ads. Finally, Pepsi's 90-second film will soon be competing with Parle's one minute spot (made, claims Parle, for just Rs.4 lakh) for the soft drinker's attention.

However, Pepsi's enormous advertising budget is only part of its marketing effort. To make up for its late entry, which forced Pepsi to lose out on the peak soft drink season (March-June, during which time over two-thirds of the year's production is sold), it is banking entirely on aggressive marketing.

Indeed, the Indian mass consumer market has been the prize over which many increasingly aggressive campaigns have been fought. But Pepsi's effort has verged on the zealous. Retailers in Rajasthan and Bangalore were given a free crate of Pepsi but in a month. Its target? 7UP, which, according to market sources, is doing much better than Pepsi's cola.

Impressive figures

It may be premature to predict the effect of the Pepsi blitz on the market; preliminary reports, however, indicate wide acceptance. Of the 4,000 crates of soft drinks sold everyday in Bangalore, Pepsi claims, 1,500 carry its drinks. "Our market share is now 35 per cent," says Vijay Menon, marketing manager of Pepsi. In Jaipur, Pepsi has grabbed a third of the market despite being able to stock only 70 per cent of the retail outlets.

Impressive figures, but Sanzgiri attributes them to consumer curiosity rather than indicative of a switch in brand



to induce them to stock and promote the drink. In Punjab, Pepsi launched a refill scheme — for every crate sold two bottles were given free to the dealer — gifting him additional margins.

Meanwhile, Parle has moved quickly to launch the 250ml MahaCola and Limca Plus in Bombay and will go national with the campaign by the end of this year. "MahaCola has been quite a success in the launch cities," says Ashok Kurien of Ambience, the agency handling the Parle account. And "Citra", a clear lemon drink that has been test-marketed in Madras with encouraging results, is to make its debut.

Sanzgiri's explanation notwithstanding, Pepsi's entry has infused enthusiasm and healthy competition into the soft drink market, which has always been dominated by Parle. Whichever way the market-pie is sliced, this may well be Pepsi's most enduring contribution. Chris Sinclair, vice president of Pepsico International, pointed out recently: "There is plenty of room to grow in the Indian market. Frankly, I think the local soft drink manufacturers will benefit from a little competition." And so will consumers. ■

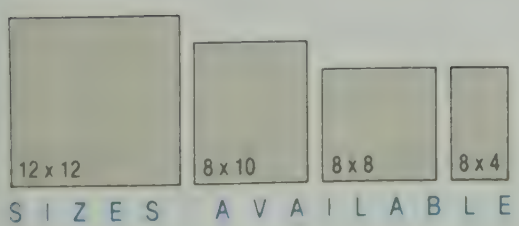
SHAMPA KAR

8 x 4 FLOOR & WALL TILES FROM KAJARIA



in collaboration with TODAGRES Spain

PERFECT FLOORS AND WALLS



SIZES AVAILABLE

Kajaria

Kajaria Ceramics Limited
C-7, EAST OF KAILASH, NEW DELHI-110065.

★ WIDE RANGE OF COLOURS AND DESIGNS ★ SIMPLE TO LAY (READY FOR USE IN 24 HOURS) ★ DURABLE ★ MAINTENANCE FREE ★ EASY TO CLEAN ★ COST EFFECTIVE

Systems/933/90.



ABB in Industrial Electronics. Technology to optimise energy utilisation.

Optimal energy utilisation through integrated automation. Technology that ensures a higher yield of better quality through more efficient operation.

Asea Brown Boveri pioneered the integrated automation of the sugar industry in India.

Process controls from ABB have also maximised production in cement, fertiliser and paper industries.

Variable speed drives from ABB help optimise the utilisation of energy.

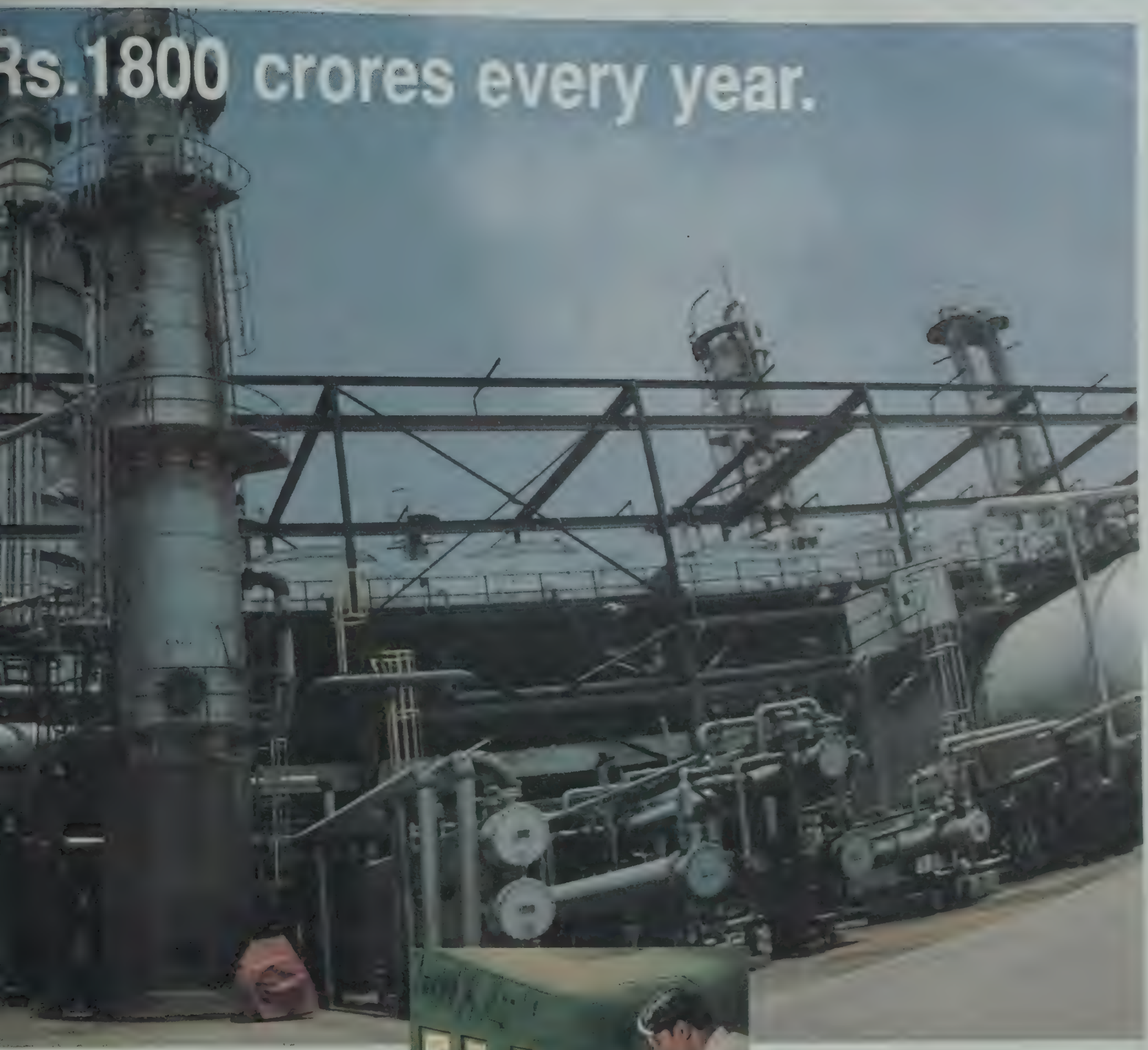
ABB has the leading edge to meet the needs of core industries. With advanced technologies, resources and skills in Industrial Electronics.

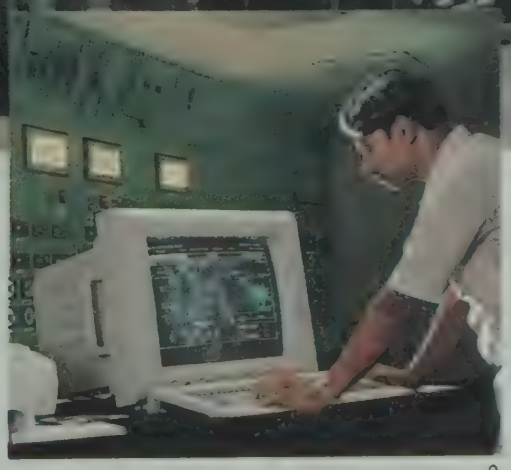
ABB. Powered by the international merger of two electrical engineering giants. Asea and Brown Boveri. Providing ABB India with privileged access to technology advances worldwide.

- ➤ Power Generation
- ➤ Power Transmission
- ➤ Power Distribution
- ➤ Industrial Electronics
- ➤ Industrial Equipment and Systems
- ➤ Transportation
- ➤ Telecommunications

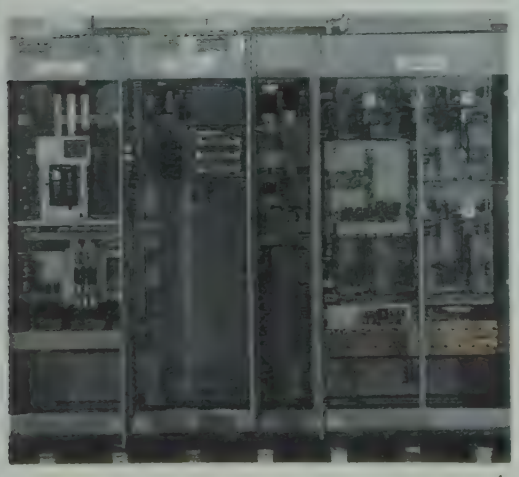
ABB. THE WORLD'S LARGEST ELECTRICAL ENGINEERING GROUP.

MAA COMMUNICATIONS 1235

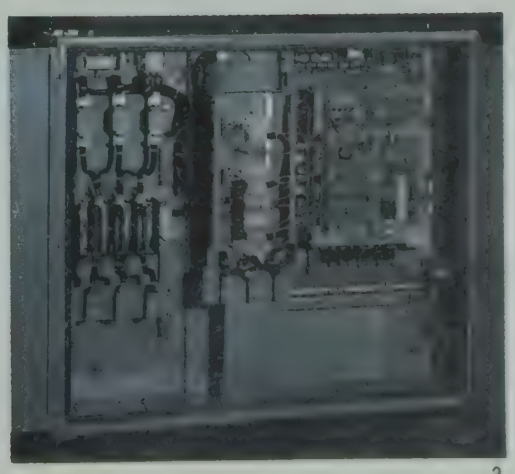




2



1



3

1. TYRAK 8A DC Drive
2. ABB Master at Mysore Cement
3. ASTAT Crane Control

Asea Brown Boveri Limited
Sona Towers, 71, Miller Road
Bangalore 560 052
Tel : (0812)-266315
Telex : 0845-8394 ABBL IN
Fax : (0812)-264147

ABB
ASEA BROWN BOVERI



Top of the agenda executive wear. Dashing. Distinctive. Highly Individual.
Definitely the corporate statements of the decade.

THE DASH BUSINESS WEAR COLLECTION

Head Office : DWARKA MEN'S WEAR, New Delhi - 110031. Tel. : 2201782-83, 2213886
Bombay Office : Chintamani Building, 44 - Ram Wadi, Kalba Devi, Bombay - 400002, Tel. : 251590

Dash

SHIRTS & TROUSERS

The easy way to dress

CHITTARANJAN LOCOMOTIVE WORKS

Chugging along

Most school textbooks in India make a proud mention of the Chittaranjan Locomotive Works (CLW). The Chittaranjan township in West Bengal, bordering Bihar, covers a total of 18.3 square km; of this, a 5 square km area houses the production site of India's electric locomotives. The township's maintenance alone costs around Rs.3 crore every year. CLW's 17,000-strong workers hail from the villages around the township. Many cross the Ajay river, which runs along the Bihar-West Bengal border, to come to work.

Started in 1950, to produce steam locomotives for the Indian Railways, CLW graduated to the manufacture of electric locos in 1961. Of the 10,000-odd locos running on India's railway tracks, around 5,000 bear the CLW mark, the prestigious *Rajdhani* and superfast *Shatabdi* expresses being among them.



▲ *An external view of the electric loco shed*



◀ *At the mini-steel plant; flaming metal is poured into bogie casts. This forms the lower frame of the electric loco and is cast in a single piece. It is the largest and heaviest component in electric loco manufacture*

This year, CLW has achieved a distinction of sorts. It has not only achieved full production, but also managed to produce an extra five locos. This record performance has inspired CLW to set an even higher internal target next year — 106 electric locos.

Currently, CLW is involved in an expansion and modernisation programme that includes upgrading old technology and increasing capacity. With the railways' annual demand being estimated at about 150 electric locos, there is obviously a gap between demand and supply. In an attempt to plug this gap, the government of India has put more than Rs.40 crore into CLW. It has also co-opted the public sector BHEL into making about 20 locos a year. Thus, CLW, a division of the Indian Railways, finds itself in the unusual position of competing with a public sector company.

The making of an electric loco is a complicated business. More than 17,000 people in about 70 workshops take 132 days to assemble 13,500 components, that go into the making of a locomotive. The cost of one electric loco is Rs.1.6 crore. The CLW factory has its own mini-steel plant. The 4,000-tonne-per-annum foundry manufactures the castings. The plant also supplies bogies for use at the Diesel Locomotive Works, Varanasi.

However, the fact remains that the electric locos manufactured at CLW are of an old design and the





▲ *The wheel arrangements and traction motors are attached to a bogie. Each electric loco has six 770 HP traction motors giving it a total 4620 HP. After conversion, the electric loco has a pulling power of 3900 HP*

◀ *The wheels for the electric loco are machined and welded in a separate workshop*



▲ *The electric loco's outside shell is being fabricated in another workshop. Here, the driver's cabin of the* Shatabdi *is being put together*





▲ *Apart from electric locos, CLW also makes broad gauge and narrow gauge diesel locos*





▲ *The "wheeling operation" — the fina stage in assembly — when the loco assemb is placed and fitted over the wheel base*

▲ *At any point of time, the CLW loco shed is full of locos at different stages of assembly. A batch or work order is made up of 25 locos*





◀ *The final testing and trial run stage. The span of an electric loco is around 35 years. However, with technology changing so rapidly, the chances are that long before the end of the 35-year span, this electric loco would have become obsolete*

technology is outdated. In an attempt to catch up with the times, CLW is working on a technology that will upgrade its locos from 3900 to 5000 HP. This loco is scheduled to reach Indian tracks within a couple of years. Also, plans to import technology for producing 6000 HP locos are under consideration. But this could take another 5 to 6 years to materialise.

Another milestone will be reached when CLW achieves the production target set for 1991-92 — an increase in output by another 20 per cent. ■

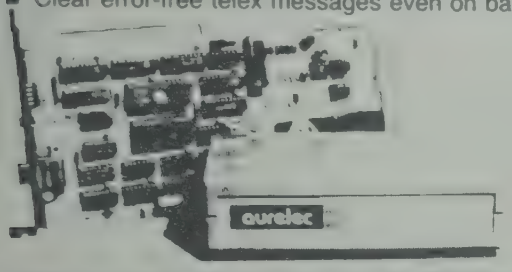
Text: Gayatri Bhandarkar
Pictures: Sajal Bose

The most cost-effective computerised Telex

Rs.6,999*

Aurelec PC-TELEX offers the following

- Delayed transmission: sends telexes when rates are lowest
- Automatic telex reception and transmission while using the computer normally
- Clear error-free telex messages even on bad lines



Save money from day one. Aurelec PC-TELEX costs only

- Sophisticated text-editor
- Telex abbreviator to save more money
- Keeps track of telex messages
- Fits snugly inside your PC compatible computer
- Does not waste a serial port on your computer
- Multi-user telex-server for **SUPERLAN**
- Unconditional 30 days money back guarantee
- Fully tested and approved by TRC
- 1 year warranty

Aurelec: Quietly building the best

* Price is inclusive of excise duty, sales tax and transport charges. Price does not include octroi, installation and training

aurelec
data processing systems

Telex: 0469272 ADPS IN
Prayogashala - Auroville
KOTTAKUPPAM 605 104 Tamil Nadu

DEALERS

ANDHRA PRADESH Datamarg, **Hyderabad** 500 018, Tel: 820328 • Narayana Electronics & Communication, **Hyderabad** 500 018, Tel: 262517, Tlx: 425-6058 PACH IN • Maijo Computers Pvt.Ltd., **Visakhapatnam**-2, Tel: 65370, Tlx: 495-256 • **GUJARAT** Interlink Electronics Pvt.Ltd., **Baroda** 390 016, Tel: 324214, 327439, Tlx: 175-665 LINK IN • Kirti Sales Pvt Ltd., **Ahmedabad** 380 013, Tel: 463466, 463766, Tlx: 121-6364 FGI IN • **KARNATAKA** Computer Services of India, 469, West of Chord Road, Mahalaxmipuram, **Bangalore** 560 086 • Datamarg, **Bangalore** 560 069, Tel: 642642 • Maijo Computers Pvt.Ltd., **Bangalore** 560 001, Tel: 573598 • Kamalakshi Electronics, **Mangalore** 575 008 D.K., Tel: 26298 P.P., Tlx: 832-235 MAUR IN • Sowraj Computer Services, **Mangalore** 575 002, Tel: 8601, Tlx: 832-306 LINK IN • **KERALA** Maijo Computers Pvt.Ltd., **Cochin** 682 005, Tel: 24969, Tlx: 885-380 • **MADHYA PRADESH** Systems & Services, **Indore** 452 001, Tel: 23093 • **MAHARASHTRA** Infotech Automations, **Bombay** 400 002, Tel: 311963, 312226, Tlx: 11-4514 LAKH IN • Kamalakshi Electronics, **Bombay** 400 063 Tel 6731936, Tlx: 11-5065 GEAR IN • Narayana Electronics & Communications Ltd., **Bombay** 400 093, Tel: 6327127, 6340939 Tlx: 11-79147 PACK IN • Tangerine, **Bombay** 400 021, Tel 2873651, Tlx 11-3758 SUDH IN • Tele Electronics, **Bombay** 400 001, Tel. 2872295, 2872334, Tlx: 11-5726 AMSL IN • Creative Business Techniques, **Nagpur** 440 010, Tel: 25327, Tlx: 715-521 CBTS IN • Happy Infotech, **Pune** 411 037, Tel: 653425, Tlx: 145-203 KANT IN • **NEW DELHI** Aristo Computers, **New Delhi** 110 008, Tel: 5712869, 5711356, Tlx: 31-66981 ASTO IN • Computer Alley, **New Delhi** 110 002, Tel: 271964, Tlx: 31-63305 BANS IN • Computer Land, UG-18, 5, Bhikaji Cama Place, **New Delhi** 110 066, Tlx: 31-72415 LAND IN • Guard Electronics Pvt. Ltd., **New Delhi** 110 048. Tel: 6461198, 6415971, Tlx: 31-71036 FNS IN • Modi Peripherals Pvt. Ltd., **New Delhi** 110 019, Tel: 6431016, 6461229 • Narayana Electronics & Communication, **New Delhi** 110 019 Tel 6439703 • **PUNJAB** Inde Associates, **Ludhiana** 141 001, Tel: 33138, 37031, Tlx: 31-62126 INDE IN • **TAMIL NADU** Datamarg, **Madras** 600 018, Tel: 457012 • Maijo Computers Pvt. Ltd., **Madras** 600 017, Tel: 442512, Tlx: 41-8211 MAJO IN • Maijo Computers Pvt. Ltd., **Trichy** 620 002, Tel: 26740 • **UTTAR PRADESH** Ocean Data, **Dehra Dun** 248 001, Tel. 23188, Tlx: 585-316 TLWR IN • Overseas Trade Network, **Noida** 201 301, Tel: 20251 • **WEST BENGAL** Maijo Computers Pvt. Ltd., **Calcutta** 700 027, Tel: 454012, Tlx: 21-4064 LGXP IN • Ontrack Systems Pvt.Ltd., **Calcutta** 700 029. Tel 411797

Dealer enquiries for the following cities are requested · BHOPAL • COIMBATORE • JAIPUR • KANPUR • LUCKNOW • MADURAI • PATNA

When there is a time of GIFT – Here is a Gift of TIME!

Waves

Premium Quartz Clocks

Now available in wide range to suit your taste



MFG.:
MITTAL INDUSTRIES, BOMBAY.
Ph.: 688-2592, 688-2143, 693931.

MARKETED BY: (BOMBAY)
SHREEJI SALES AGENCY
22, KHADAK STREET, BOMBAY-400 009.
Ph: 866436.

DISTRIBUTORS: **BOMBAY**: Mohanlal Trikamlal & Sons. Ph: 324509 • **BANGALORE**: Mutha Time Centre, Ph: 74086 • **AHMEDABAD**: Janki Electronics, Ph: 440324 • Active Marketing, Ph: 392235 • **BARODA**: Saval Watch Co., Ph: 554276 • **SURAT**: Vardhaman, Ph: 26717 • **RAJKOT**: Kaushik Sales Corpn., Ph: 31952 • **NAVSARI**: Madhuvan Tea Traders, Ph: 2136 • **MADRAS**: Sha Kapurchand & Co., Ph: 560318.

Available at all leading Watch Dealers, Departmental & Gift Stores

THE INSTITUTE OF CHARTERED FINANCIAL ANALYSTS OF INDIA

(In collaboration with The Institute of Chartered Financial Analysts, Virginia, USA)

ADMISSION NOTICE

THE CFA PROGRAMME

Board of Governors

Dr A Besant C Raj, DBA (Harvard)
Chairman

Shri Alfred C Morley, CFA
President, ICFA (USA)

Shri J Matthan
Former Chairman, LIC

Shri Raghuraj
Former Chairman
IDBI, Air India, MDI

Shri G S Patel
Former Chairman
Unit Trust of India

Shri C R Sengupta
Former Chairman
United Bank of India

Dr Prasanna Chandra
Professor of Finance, IIM(B)

Shri N J Yasaswy
Management Consultant

The American Institute

The Institute of Chartered Financial Analysts, set up in 1959 at Virginia, USA is the only institution of its kind in the world. It offers a three year training programme leading to the designation Chartered Financial Analyst (CFA) which is a highly valued professional qualification. Since its inception it has awarded the CFA designation to about 12,500 candidates. Interested in advancing the cause of professionalism in the field of financial analysis, it is collaborating with the Institute of Chartered Financial Analysts of India, in offering the CFA Programme in India. There is an in-built facility for Indian CFAs to acquire the CFA qualification from ICFA, USA.

The Indian Institute

The Institute of Chartered Financial Analysts of India has been established in 1984 as a non-profit educational society. ICFAI is a member of:

- Asian Securities Analysts Council, Japan.
- International Council for Distance Education, Norway.
- The International Coordinating Committee of Financial Analysts Associations, Paris.

The CFA Programme

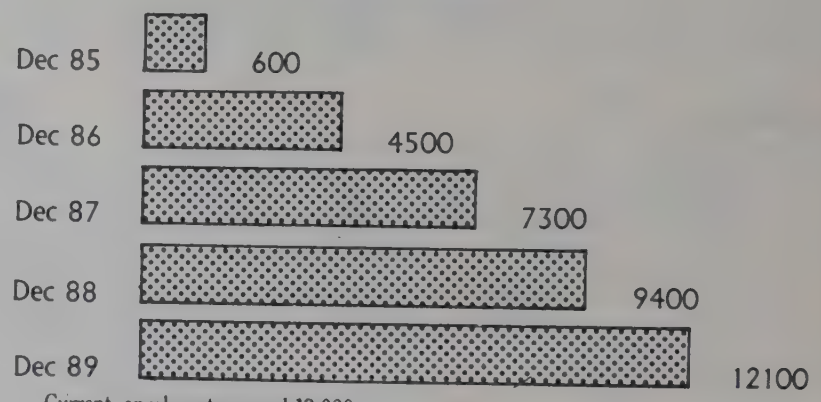
The CFA Programme is a three year training programme primarily focusing on financial analysis and its application in three broad areas: Corporate Financial Management, Investment Management, Management of Financial Institutions and Financial Services.

The programme is divided into three levels, six groups and twelve subjects:

Preliminary	
Financial Accounting	Quantitative Methods
Financial Management	Economics
Inter	
Economic Legislation	Security Evaluation
Management Accounting	Project Appraisal
Final	
Adv. Financial Management	Investment Management
Financial Services	Indian Financial System

Subject-wise waivers are available as indicated in the Prospectus. Leading institutions like RBI, IDBI, UTI, ICICI and IFCI reimburse the CFA Programme fee to their staff.

CFA Enrolments



Current enrolments exceed 13,000

Eligibility:

Graduation (any discipline). Final year students can also apply. The applicants are required to qualify in the Admission Test (Date: Oct. 14, 1990) to be conducted at 25 centres. Certain categories of applicants such as CAs/CWAs/ACSs/MBAs/CAIIBs/First Class Graduates/First Class Post-Graduates are exempted from the Admission Test.

Prospectus

Please write with complete address and a DD for Rs. 50 drawn in favour of 'ICFAI' to: The Administrative Officer (CFA),

The Institute of Chartered Financial Analysts of India,
Road No. 3, Banjara Hills, Hyderabad 500 034.
Phone: 229062, 229286, Grams: 'ICFAI' Telex: 0425-6065 CFA IN,
FAX: 0842-229107

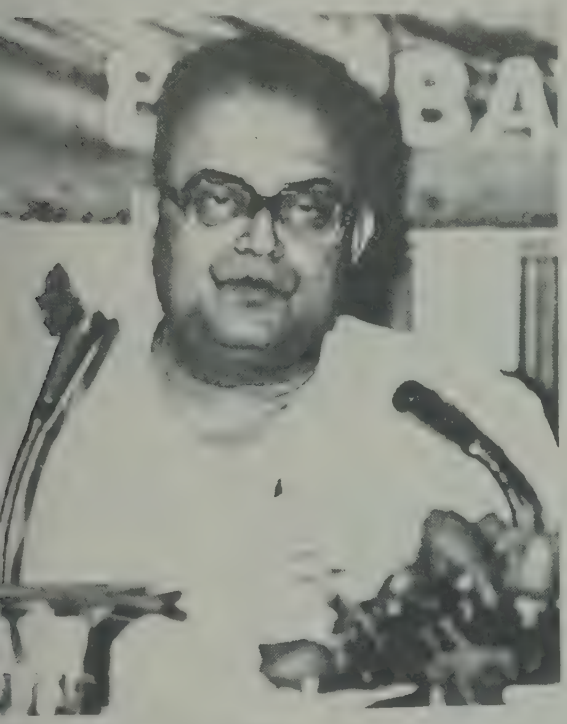
Imageads-ICFAI/314-90

C-DoT

A new man on the spot

The Centre for Development of Telematics (C-DoT) which gained much publicity early this year because of the heavily politicised clashes between its chief, Sam Pitroda, and the then minister for communications K.P. Unnikrishnan, seems to be getting back to normal. It will now have a full-time executive director. After much deliberation, C-DoT's governing council, which is headed by the communications minister, Janeshwar Mishra, last week cleared the appointment, a formal announcement of which is expected to be made very soon.

The person chosen to head C-DoT, Bishnu Pradhan, is virtually unknown in political circles. The surprise nominee is neither from a public sector corporation nor from the department of telecommunication. Pradhan was the general manager of Tata Electric Companies' (TEC) research and development cell, the largest R&D organisation in the private sector in India (see Professional Profile, page 171). Pradhan comes with one major advantage — his experience of having managed a large R&D organisation successfully for over 16 years now, though he has little experience in the field of telecom, his work having been in defence and space areas.



Mishra: forced to act

Support for Pradhan

What is as surprising as the appointment itself is the enthusiasm with which almost all the powers-that-be were pushing for Pradhan to take over C-DoT. His supporters included N. Vittal, secretary, department of electronics and head of the C-DoT steering committee, at least two members of the Telecom Commission, and Sam Pitroda himself. Mishra is also reported to have wanted someone with a good track record and an ability to deliver the goods, while a telecom background, says a senior DoT official, was secondary to the selection process.



Pradhan: surprise appointment

After both, C-Dot's earlier executive director G.B. Meemamsi and director D.R. Mahajan retired, some ad hoc appointments were made. It was also decided that a permanent executive director to handle C-DoT's operations would be made later. At that time Siraji Rao of Indian Telephone Industries, Bangalore, and T. Narainmoorthy of Telecom Research Centre filled the posts.

However, the formation of the expert panel which would select the permanent executive director stirred up controversy again. S.R. Vijaykar, former DoE secretary, Professor Sampath of Defence Research and Development Organisation and Lt. Gen. (retd) R.P. Singh, former chief of Army Signals Corp, were members. It was alleged that two of the members were connected with Alcatel, the French telecom giant and that their decision would be biased.

As the issue grew larger and more unwieldy, Mishra was forced to act. The result was that C-DoT had to advertise in the newspapers asking for applicants with adequate experience to take command. Simultaneously, behind the scene, N. Vittal took over as the new DoE secretary in June. According to reports, Vittal was cleared to go ahead and select the final candidate since C-DoT was under DoE's direct control. He refused to comment on Pradhan's clearance, but played a major role in his appointment.

From Pitroda too

Pradhan was first approached in July about the possibility and was asked to send in his resume. Early this month, following an informal decision taken by the governing council, he was summoned to Delhi to meet Vittal. Pradhan is reported to have met Pitroda too, from whom he received a favourable response.

C-DoT has been plagued by uncertainty. Even after the Pitroda-Unnikrishan feud ended with prime minister V.P. Singh himself taking a strong view of the mud-slinging, the morale of the C-DoT staff has been at rock bottom.

Employee turnover is another problem. The department has lost many people and almost 50 engineers were offered lucrative jobs with foreign R&D organisations. The Telecom Commission has explained it away as part of the normal attrition cycle, but employee dissatisfaction and the lack of leadership were serious worries for the minister and both DoE and the Commission's officials. Their hope is that Pradhan, who leads a 250-strong research team at Tata Electric, will be able to provide the necessary motivation and leadership to the C-DoT engineers.

The six-year-old C-DoT was directionless and languishing with the exit of Sam Pitroda, who had nurtured the centre since its inception. Not only did C-DoT miss its production targets for the rural and main exchanges, but Rs.60 crore was needed to strengthen C-DoT's R&D base.

The draft telecom policy also calls for clearly focused organisational efforts. Today, the government's priority is setting to rest the controversies of the last few months and providing a new lease of life to C-DoT. Pradhan's appointment as its executive director is the first step towards stability. No doubt, Pradhan, who is no stranger to government functioning, given his dealings with it on behalf of TEC, will find his hands full.

■ RAHUL SHARMA

Before you invest in **FinOlex**, ask:

What is the potential of its 100,000 tpa Petrochemical Project to manufacture PVC-Resin?

PVC is today increasingly replacing
ber, wood, glass and metal in many
ducts and finds wide applications. Wall
floor covering. Artificial leather.
twear. Doors. Windows. Furniture.
nveyor belts. Sealing compounds.
derbody car protection. Cables and
ulations. Pipes and pipe fittings... and
ch more!

And this wonder thermoplastic is in
rt supply. At present, the demand-
pply gap is estimated at 96,000 tpa.
pected demand by 1994-95:
,000 tpa (According to the D.V. Kapoor
mmittee Report on Perspective Planning
Petrochemicals).

Reason why Finolex is setting up a
352 crore project to manufacture
C-Resin. At Ranpar (Pawas Bay), a
trally notified 'B' category backward
a in Ratnagiri District, Maharashtra.

This strategic backward integration
out 40% of production will be captively
sumed by Finolex Pipes Ltd. and
olex Cables Ltd.) is also India's major
p towards self-reliance in PVC-Resin
duction and in saving foreign exchange
mports.

The answer to the question is now
ar: "THERE IS TREMENDOUS
TENTIAL FOR GROWTH."

ISSUE HIGHLIGHTS

The Finolex Tradition

- A leading Rigid PVC Pipes and Fittings manufacturing company
- Track record of uninterrupted dividends
- Winner of 'Top Exporter Award' for the last 5 years

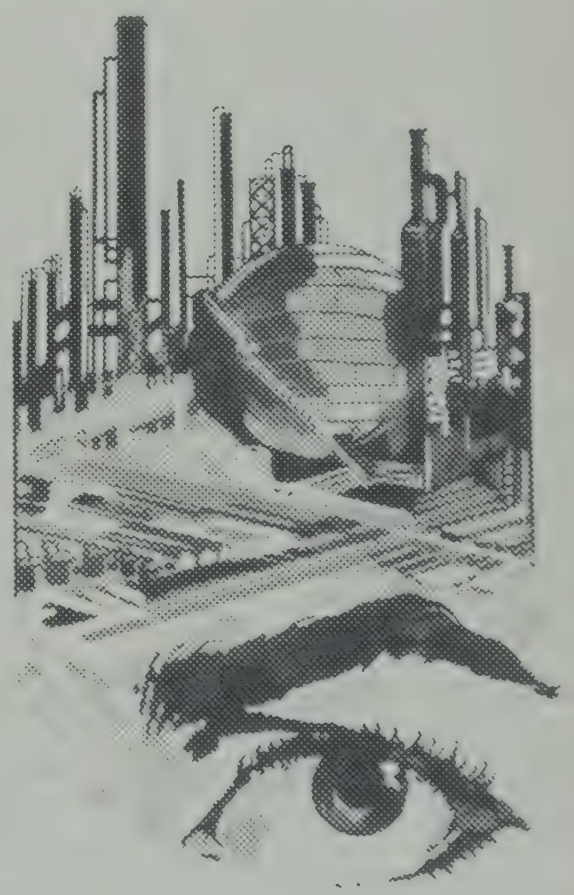
The Petrochemicals Project

- Project to manufacture 100,000 tpa of PVC-Resin, incorporating the internationally renowned Hoechst technology
- Demand-supply gap estimated at 135,000 tpa by 1994-95 based on sanctioned licensed capacity
- Import substitutive product
- Location entitling the Company to several concessions including Pioneer Status with Sales Tax benefit for 10 years

The Issue

- **An opportunity to acquire Finolex shares at Rs. 15 each**
- **Convertible Debentures with interest @ 14% p.a.**
- **Conversion close to commencement of production**

If the Company does not receive the minimum subscription of 90% of the issued amount, the entire subscription will be refunded to the applicants within 90 days from the closure of this Issue. If there is a delay in refund of such amount by more than one week, the Company will pay interest at 15% per annum for the delayed period



ue of 79,30,000 14% Secured Redeemable Convertible Debentures
Rs. 150 each for cash at par aggregating Rs. 118,95,00,000

LEAD MANAGERS TO THE ISSUE

The Industrial Credit and Investment Corporation of India Limited
Merchant Banking Division
163, Backbay Reclamation
Bombay 400 020

SBI Capital Markets Limited
202, Maker Towers 'E'
20th Floor, Cuffe Parade
Bombay 400 005

CANBANK FINANCIAL SERVICES LTD.
(A wholly owned subsidiary of Canara Bank)
Capital Markets Group
115, Atlanta, 11th floor
Nariman Point, Bombay 400 021

J.M. Financial & Investment Consultancy Services Ltd.
141, Maker Chambers III
13th floor, Nariman Point
Bombay 400 021

Finolex Pipes Limited

With an eye to the future

Regd. Office: MIDC, Chinchwad, Pune 411 019

ISSUE OPENS ON 19TH SEPTEMBER, 1990

CLEA/804/FPL

Tube India

Hyatt Regency, New Delhi
19-22 November
1990

A three day comprehensive international conference programme of technical papers for the ferrous and non-ferrous tube and pipe production and processing industry. Expert Tube technologists from Japan, USA, West Germany, UK, Austria, Spain, Finland, Italy and India will make some 24 technical presentations during this conference.

Delegates Registration : (if booking is made before 1st October)
Rs. 3,750.00 for ITA members & Rs. 4,500.00 for non members.
(if booking is made after 1st October)
Rs. 4,315.00 for ITA members & Rs. 5,175.00 for non members.

Exhibit Registration : 10' x 10' booth area Rs. 9,650.00

For registration/details, mail or fax to :

F. A. Vandrevala
Vice President, International Tube Association, India
C/o, The Tata Iron and Steel Company Limited
Tubes Division, Jamshedpur - 831 007
Bihar, India. Fax - 0657-27304.

Organised by

International Tube Association

The long road to freedom

On 2 August, when Saddam Hussein pounced on the oil-rich sheikhdom of Kuwait and annexed it as Iraq's 19th province, a nightmare began for the 170,000 strong Indian community settled there. And even after seven weeks, the agony still continues.

Even with Air-India's 14 flights from Amman and Dubai to bring about 3,500 people back to India every day, there still remains a beleagured Indian community in Kuwait. Almost 2,000 very sick people who cannot undertake the journey by road to Amman in Jordan are stranded and are causing immense anxiety to the authorities as there is an acute shortage of medicines. Apart from these, there are another 10,000 Indians awaiting evacuation to India, of which 3,000 are stuck at Basra.

The most immediate result of the occupation of Kuwait was a complete breakdown of law and order in that tiny country. Nobody was safe. As many as 509 Indians, stationed at various key installations in and around Kuwait, were taken away by the Iraqis to Baghdad, and there is no news of them. These developments roused the Indian community to face the general uncertainty and panic arising from the Iraqi occupation with determination. Theirs is a story of camaraderie, fortitude and the perseverence of a few who strived for the welfare of many, in those first few traumatic days.

As a first step, 55 prominent members of the community identified two major problems confronting them — law and order and food supplies. They had to do something to tackle both from within Kuwait since they were cut off from the outside world.

Committee chosen

The city was, therefore, divided into 13 areas, and a central committee was formed, from which an evacuation executive committee of five was chosen to interact with the embassy officials. It met the ambassador every day to inform him of the developments within the community. Issues which the embassy was taking up with the local authorities were also discussed.

Meanwhile the executive committee realised that within two weeks, the number of camp workers coming into Kuwait city would reach 10,000. These people needed to be fed. "Our target was to get food supplies for 10,000 people for a two-three week period," says Tony Jashanmal, an Indian businessman settled in Kuwait and a member of the evacuation executive committee, currently in India.

Since there were many wholesale food dealers within the community itself, a week's supply of rice, dal and sugar was arranged. The remaining supplies were financed by money collected from various people — a sum of 6,000 Kuwaiti dirhams, scarce in such trying times. Luckily all the anticipated 10,000 did not show up as many had walked across the searing heat of the desert to Jordan. For the 7,200 who did, the supplies lasted through several weeks.

In the last one month, the food situation in Kuwait has worsened. Of the 53 superstores, only five opened last week. But, as Jashanmal says, "The variety and quantity of stock is shrinking". And prices have shot up by at least 150 per cent.

Like others, Indian refugee camps' inmates are also affected by the food shortage. All the 7,200-odd people in these — housed in school buildings and 16 camp sites around the city — get just one meal a day. This comprises 125 gm of rice, 25 gm of dal and a piece of Arabic bread. They have to survive on this till better arrangements are made. In all 120,000 people had registered till 6 August.

Shortage of funds

The problem is further accentuated by the cancellation of insurance coverage by international insurance agencies on flights through the Gulf. The Indian embassy in Kuwait is advising people not to take the Amman route. There is a pile up of almost 20,000 Indians there who have to be evacuated first. And Amman airport which normally handles only about 15-20 flights a day has permitted up to 80 flights a day.

Meanwhile, Indians stranded in Kuwait are also running short of funds. Although the banks have opened no one is allowed to withdraw more than 225 dirhams per week. So, selling of household goods is the only way to acquire cash.

To add to the crisis, hospitals have run out of medicines and as Jashanmal says, "People are counting the days, especially the diabetics and those with kidney problems." While the camps in Amman can be cleared within a week, those awaiting evacuation in Kuwait will take more time to get out. One way out could be charter flights out of Iraq to Amman and an airlift by Air India from there. More co-ordination and co-operation with the Jordanian government is what Jashanmal asks for. They cannot handle this sudden influx of refugees, he points out. And Kuwait still remains the scene of crisis. "We have got to do something very fast, otherwise we will have 2,000 dead people on hand," he says. And that is what nobody would like to take responsibility for.

■ RAHUL SHARMA



Jashanmal: "we have got to do something very fast"

SPEECH DELIVERED BY CAV.DR.G.K.DEVARAJULU, CHAIRMAN, AT THE 27TH ANNUAL GENERAL MEETING OF THE COMPANY HELD ON 22nd AUGUST, 1990.

Ladies and Gentlemen,

I have great pleasure in welcoming you all to the 27th Annual General Meeting of your Company.

ECONOMIC SCENE

Having come out of a crippling recession, the textile industry is going through an upswing registering new highs in production, domestic sales and exports. This buoyancy is reflected in a rapid increase in the demand and production of textile machinery. Production of textile machinery in the country as a whole has increased from Rs. 447.25 Crores in 1987-88 to Rs. 526.90 Crores in 1988-89 and was Rs. 698.86 Crores in 1989-90 and is likely to touch Rs. 900 Crores in the current year. Exports which were languishing at just over Rs. 40 Crores in 1987-88 has increased to Rs. 120 Crores in 1989-90 and as per present indications will go up to Rs. 150 Crores in the current year.

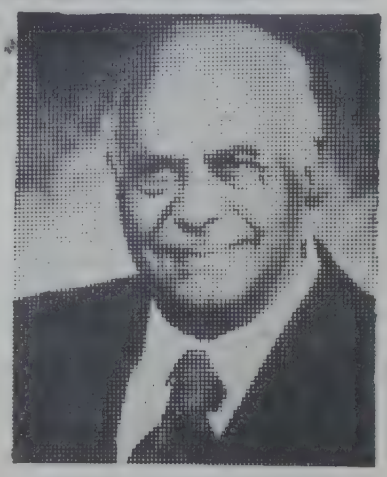
Obviously, the textile machinery manufacturers are not in a position to meet this sudden surge. Given the cyclical pattern of peaks and troughs in the textile field, there is no fresh investment forthcoming either in the textile machinery or accessories field. This is mainly due to the fact that the plans drawn up by the mills are purely seasonal. As a rule, the mills plan for modernisation and expansion only when they visualise a good season when cotton is plenty, monsoon is good, prices are down and economy is booming. Even this is done in fits and starts than on a long-term basis. This coupled with the closure of a few leading textile machinery manufacturers, the pressure on your Company is unbearable. Higher productivity on the shop floors and increased ancillarisation are a few steps we have taken to increase our production and partially meet this surge in demand.

As I indicated last year, the spiralling increase in the cost of raw materials and components has reached an all time high. Combined with statutory levies like Central Excise Duty and Sales Tax amounting to 30 to 40% of the price of machinery, the cost of capital goods is assuming alarming proportions rendering fresh investment as well as modernisation very costly. In the context of rapid industrialisation of the nation, effective steps should be taken by the Government, Industry and all concerned and a comprehensive solution found to keep the cost of capital goods within reasonable levels.

PERFORMANCE AND PROSPECTS

Profits and dividends

The working during the year has resulted in a net profit of Rs. 9.84Crores as against Rs. 7.79Crores in the previous period of 15 months. The increased profitability would be attributed to effective cost control measures at all levels and also favourable market conditions.



CAV.DR.G.K.DEVARAJULU

Your Directors have, in this background, recommended a dividend of 25% for the current year.

While on the subject, I would like to state the policy of the Company is to maintain the dividends at a reasonable and stable level without undue fluctuations. In so far as capitalisation is concerned, your Company will follow a policy of cautious optimism.

Textile Machinery Division

During the year under review, your Company achieved a turnover of Rs. 185 Crores as against Rs. 164 Crores during the previous 15 months. The increase in turnover is due to the flexibility in the product line and favourable market conditions.

Technology Improvement

In line with its established policy of continuous upgradation of technology, your Company has entered into a collaboration agreement with M/s Schubert & Salzer, Ingolstat, West Germany for the manufacture of an advanced version of Open End Rotor Spinning Machine.

Customer Service

Your Company is fully aware that the machines supplied in the earlier years are due for replacement and the sales strategy takes into account the demand for the modernisation and replacement of these machines apart from new projects.

The Customer Sales Service has been given a new thrust by deputing technical personnel on regular audit inspection visit to various mills.

Exports

Your Company's export performance set a new record with a figure of Rs. 33.66 Crores. The performance of the machinery has won complete customer satisfaction. In the current year your Company's exports are expected to surpass last year's record.

In recognition of its export performance, your Company has been selected for the Top Export Award under the category "Machinery Section" by the Textile Machinery Manufacturers' Association (India) and the Regional Top Export Award by the Engineering Export Promotion Council.

Joint Venture

Your Company was invited to participate in the Equity Capital of the existing business of Pugoda Textile Mills, Sri Lanka and the consent was accorded in the Extra-ordinary General Meeting held in May, 1990. Accordingly your Company has subscribed for the Equity Capital and appointed Nominees in the Board of Directors of M/s Pugoda Textiles Lanka Ltd.

Machine Tool Division

This Division has already put in the market CNC Machines Model MV Junior and SL3. Manufacture of other models is in an advanced stage.

INDUSTRIAL RELATIONS

Industrial relations throughout the year was cordial. A three-year wage settlement was entered into at Unit-II. I am sure, with the wholehearted co- operation of workers and staff at all levels, your Company will achieve higher productivity.

ACKNOWLEDGEMENTS

The unstinted help and support we have received from the Central and State Governments, ICICI, IDBI, IFCI, EXIM BANK and our bankers M/s Indian Bank, Bank of Baroda and Indian Overseas Bank, have contributed significantly to our operations. I gratefully acknowledge their assistance.

To my colleagues on the Board, I am grateful for their valuable advice and support.

Our Collaborators, M/s Rieter Machine Works Limited of Switzerland, M/s Mori Seiki Co Ltd. of Japan, and M/s Schubert & Salzer of West Germany and our Selling Agents, M/s Voltas Limited and M/s Super Sales Agencies Limited have played their role admirably in achieving these results. To them, I extend my heartfelt thanks.

In the final analysis, the vital resource in any organisation is its people. I thank the employees for their efforts in achieving the year's working results.

May Goddess Lakshmi continue to bless and guide us in all our endeavours.

Thank you all for gracing this occasion.

Note : This does not purport to be the proceedings of the Annual General Meeting

LMW

LAKSHMI MACHINE WORKS LTD

Registered Office : Perianaickenpalayam COIMBATORE - 641 020.

SASI/LMW/CS/90

RANUTROL HANSA

Right products, right time

In 1967, 24-year-old Chaman Mahajan, content with an overseas job, visited his family in India after six-and-a-half years. Little did he know then that the visit would change his life. From manufacturing controls for refrigeration and airconditioning equipments to complete bathroom fittings, Mahajan — presently the owner of the Rs.30-crore Delhi-based Ranutrol group — has come a long way.

Three decades ago, Mahajan was persuaded by his father (a trader in paper) to do a degree in mechanical engineering, which he took from the Ohio state university in the US. A specialisation paper in refrigeration and airconditioning controls helped him join Ranco, a leading US manufacturer in the field, in 1966 as a project engineer. He then married an American and a few years later made the fateful visit to India.

During this period, several companies were exploring the market potential in India for refrigeration and airconditioning control equipments. Even Manu Bhai Shah (the then commerce minister) had remarked on the tremendous scope in this industry while inaugurating a unit of the Delhi-based Frick India Ltd. Mahajan, who attended this function, was appraised of the possibilities in the field by certain trading companies his father dealt with. "The decision was most difficult to take," says Mahajan, "but, against all odds, I decided to risk it."



Mahajan: "belief in quality excellence, not a bigger bank balance"

Maiden attempt

He threw in his lot with Frick Sales, an associate of Frick India. He tried to set up a collaboration with Ranco. But like many other Indian entrepreneurs, Mahajan faced his share of problems. "The procedures were too complicated then and, being a novice in the art of getting work done in government departments, my maiden attempt didn't work out," says Mahajan. "I wasted one-and-a-half years in bureaucratic corridors."

Lobbying fruitlessly in Delhi and travelling to and from the US negotiating with the collaborators, drained Mahajan's savings of $75,000. Disheartened, he wanted to return to the US. "But quitting is not in my nature, so I decided to try again," he says. With a handful of experts and a loan of Rs.75,000 from the State Bank of India, Mahajan set up his first unit — Ranutrol, with no collaboration — on a tiny plot in Kirti Nagar, Delhi, in 1970.

The first products were thermostats, relays, pressure switches, etc. Even though it took them some time to gain credibility in the market, the new entrepreneur was not exactly out on a limb. Says Mahajan, "My experience with Ranco gave me good leverage and my commitment was to quality." Popular companies like Godrej, Allwyn and Kelvinator soon became his clients. By 1978, Ranutrol's annual sales were over Rs.1 crore and the unit shifted to a larger, 50,000 square ft plot.

As the demand for refrigeration grew, so did the market and Ranutrol's fortunes. It came to a point where Mahajan and company became quite complacent about their rising sales graph when suddenly, the bubble burst. Kelvinator, the airconditioning and refrigeration heavyweight which bought 50 to 60 per cent of Ranutrol's production, decided to begin production themselves for captive consumption. According to a government policy for ancillary units, manufacturers of refrigerators or airconditioners could manufacture the controls as well, provided they used the finished goods for captive consumption. Kelvinator took advantage of this provision and Ranutrol lost its main buyer. The company's turnover plunged by about 50 per cent the next year and since then its full capacity has never been utilised — Ranutrol now operates at 35 per cent of capacity.

Trusted company

Fortunately for Mahajan, he had already been planning to enter other areas and set up an automatic testing equipment support house called PCL (India) Pvt Ltd at Okhla, near New Delhi. Besides providing technical support, this company also tested software development for export, training, maintenance and installation support for the world's leading ATE manufacturers like Schlumberger, Deltest, Wayne Kerr, Aehr, Luther Maelzer and Polar. This project too was initially stalled by delayed government clearances but finally took off in 1982. Today, Mahajan proudly points out, the support house is trusted by the ministry of defence as well as many blue-chip companies like ONGC, HAL, BEL, CIL, ITI, Siemens, HCL, DCM, ICIM and Wipro.

In 1985, Ranutrol entered the fast expanding electronic typewriter market. Auto Controls Pvt Ltd was set up in collaboration with Nakajina of Japan. Competing with market leaders like Network and PCL, Auto Controls never really took off — its market share is only 5 per cent. But Nagesh Mahajan, senior manager, projects, of the typewriters division, is confident this will rise to 20 per cent by 1992. Says Mahajan, "Our main difficulty then was the lack of a marketing infrastructure, which others had. We only concentrated on developing products, totally neglecting the advertising and marketing aspects."

Simultaneously, Ranutrol introduced



The bathroom fittings shopfloor: 60 per cent of the aqua-mixer market

its range of bathroom fittings. Its aqua mixer was a novel concept. "Though companies like Nova made ordinary bathroom fittings, our aqua-mixer was the first of its kind to enter the Indian market," says Mahajan. Whenever he visited West Germany, he noted the styles and designs of bathroom fittings. With world leaders Hansa Metal Werke of West Germany as a partner, Ranutrol Hansa was born.

Necessary collaboration

This was a necessary collaboration as the technology for aqua-mixers did not exist in India then. Amitabh Bhaduri, ge manager of the home improvement sion, says, "Mahajan's success lies in ing the right products at the right t According to the company, it has a 60 per cent of the market, and its clie includes 5-star hotels and builders. aqua-mixers retail for between Rs and Rs.3,000 each. Ranutrol's compet include Nova and Jacquar.

As this fitting was alien to India, c ing a demand was quite difficult. dealer network was used to promot product but market surveys indicate increased consumer awareness. By 1 there were more competitors but the r ket remained small. The product faced immediate problems — the low lev advertising and the perception of w mixers as luxury items. Unlike in d oped countries, demand for this pro came from luxury hotels and affl homes while the bulk of consumer mand was expected only from the u middle-class segment. In 1988, the r keting strategy to cater to this segmen which positioned the mixers for the and upper middle-class segments of market — was formulated. By 19



BRADS automatic testing equipment: fortunate diversification

anutrol Hansa was in a comfortable posi-on. As Mahajan puts it, "Hard work, de-ermination and a commitment to quality ave helped."

Today, the group's turnover is around s.30 crore a year. While refrigeration and irconditioning controls contribute about s.10 crore, another Rs.5 crore comes om the aqua-mixer division while the alance is contributed by PCL, ACN and ther divisions. Unlike the normal Indian trend, the companies are not family-run; Mahajan has appointed MBAs and engineers at his different units.

Hi-tech ventures

In 1989, Ranutrol ventured into two hi-tech fields. The outcome was the setting up of Ranutrol Instrumentation Ltd and Ranutrol Telecom. The latter is manufacturing EPABX systems with C-Dot technology. Ranutrol Instrumentation has been set up in collaboration with Yamataka Honeywell of Japan to manufacture process control instruments and instrumentation systems. S.C. Arzare, deputy general manager in charge of the company, says, "Mahajan has the capability to look ahead, enough determination, patience to implement policies and is a good strategist. All these have contributed to his success."

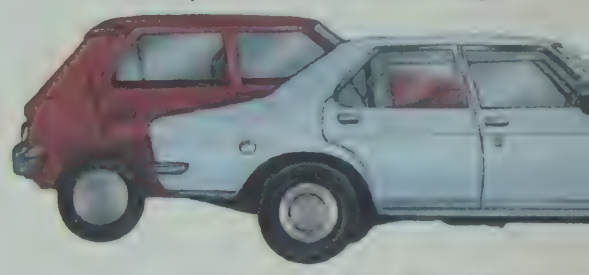
In all, the group today has three factories between Delhi and Himachal Pradesh and nine well established branch offices in the four metros and five big towns. It has also set up a government-approved R&D centre. With a workforce of about 1,000 well trained personnel, it is poised for further expansion. It is exploring the export potential for its products, varied as they are, in the USSR, Europe and the Middle East. Many products are at various stages in the pipe-line. The home improvement department is working on more products like sinks and gas safety valves. And as an original equipment manufacturer, the EPABX division provides components to larger companies.

Mahajan is keen on introducing varied kind of products with more stress on hi-tech areas. "I follow two clear objectives: I go in for the latest products available abroad, which I feel will be next generation items here; and I introduce items which save on energy," he says. "I believe in excellence in quality, not in increasing my bank balance." There, according to him, lies the difference between an entrepreneur and a businessman.

■ REENA PATNAIK RAO

GOING WHERE EVERY CAR DARES TO TREAD

If there's a car made in India there's a Goodyear tyre right for it. Whether nylon or radials. Whether the conditions be rugged or very wet. Breakthrough rubber compounds, created in Goodyear International's R&D Centre in the U.S., impart extra sturdiness. A computer perfected tread design



ensures a vice-like grip. A way-ahead technology that makes your trip home safe... whatever the road.





GOODYEAR®

TAKE ME HOME

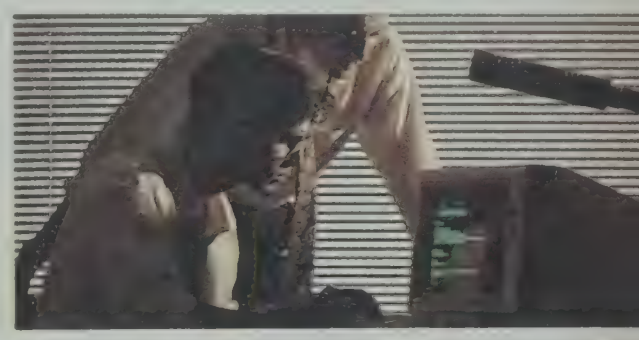
Portrait of a businessman in hot pursuit of an international alliance.



You won't find him hogging the telephone, running up huge bills on overseas calls. Nor will you find him running from pillar to post, hoping a miracle will happen.

You'll find him exactly where you'll find him every Wednesday afternoon: enjoying a game of tennis at his club.

And if this seems somewhat unusual for a man trying to put a multi-million, multi-national deal together, it's because he has all the muscle and efficiency of one of Europe's top-ranking banks at his disposal. BNP, the bank that lets you get on with your business. And your life.



Whatever business you're in, BNP will provide you with a comprehensive range of consistent and timely financial services that let you sleep easy.

You'll find BNP is a bank that's willing to work as hard as you are, a bank that's willing to see things your way.

And you'll find BNP will give you advice that's intended to fill your coffers. Not ours.

Because BNP doesn't believe in making a quick buck this week and losing a client the next. It believes in building long term relationships that go beyond the numbers.



If you'd like to win game, set and match in the world of international finance, do please get in touch. The ball, as they say, is in your court.

BNP

Banque Nationale de Paris.

A relationship that goes beyond the numbers.

BOMBAY: Fort. Tel: 286 0822 / 286 0844. CALCUTTA: B.B.D Bagh East. Tel: 20 2250 / 20 2318. DELHI: Barakhamba Rd Tel. 331 2836 / 381 3540.

Enterprise BNP 110

QUALITY, RELIABILITY, CLASS



The twelve-axled two-sectional main line electric locomotive VL-85 is widely used to drive cargo trains on railroads powered by 50 Hz 25 kV single-phase AC. The VL-85 is equipped with a multi-unit system (two locomotives and one locomotive with a section); it can be operated from any sectional cab by one team of engineers; and it has an automatic traction and regeneration control system.

Technical Specifications

Undercarriage formula — 2 (Bo-Bo-Bo)
Brakes — compressed-air and electrical (regeneration)

Traction electric motor (shaft thrust, KW) :
— hourly rating — 10,000
— continuous rating — 9,350

(thrust, kN, (t/p) :
— hourly rating — 705 (72)
— continuous rating — 647 (66.0)

Design speed, km/h — 110

Exporter : **V/O SOVELECTRO**

ELTEMEK®

Korp. 1, 1/2 Sadovaya — Spasskaya Ul.,
107078, Moscow, USSR
Telephone : 208-2837
Telex : 411003 SOEL SU

ANT SINGH CHHATWAL

Going through grilling times

ant Singh Chhatwal, 43, of New York, was ying high with his Bombay Palace chain f restaurants in 1986. He went public hat year at $5 a share and Bombay Palace eported earnings of $700,000 on revenues of $11 million. Eventually the stock ouched a high of $8.63, and Chhatwal's 62 er cent interest was worth $15.6 million. e and wife Daman lived in a $6,000 a onth apartment near Central Park. Then isaster struck.

In 1987 he paid $7 million, his biggest deal yet, for ifestyle Restaurants, hich operated four dozen eefsteak Charlie eateries ostly in the New York rea. Lifestyle had $26 million in accumulated losses hich Chhatwal reckoned ight come in handy to offet Bombay's profits. And it lso owned a number of heap leases on prime Manattan land for its restauants. Chhatwal retained ifestyle owner Larry Ellan as chief executive fficer of the chain. What he idn't know was that Lifeyle had a lot of liabilities the form of unpaid sales nd income taxes.

ooking books

ombay's stock collapsed hat year and kept tumbng for three more years. here were more problems hen Chhatwal's accountng firm withdrew its ertification for Bombay alace's financial statehents from 1984 through 986. In May this year, the rbaned tycoon was auled up by the Securities Exchange Commission or fiddling around with eefsteak's funds. The impact on Bombay Palace was predictable. he stock vanished from the stock tables nd fell as low as 5 cents a share. People at up and took note. "It looks like (he)... as cooking Bombay's books along with is tandoori chicken, was the scathing assessment of Forbes magazine in an August issue.

But Chhatwal doesn't talk like someone who's been vanquished. He says he'll have taken Bombay Palace private by the end of October 1990 by buying everybody else out and adds that he has settled all shareholder suits and debts. So what's he left with? All of 13 Bombay Palace restaurants, two Mexican restaurants called Zona Rosa and ten Beefsteak Charlie eateries. "Thank God it's all over," says the lean, energetic Chhatwal, a former Air Force pilot whose family fled Pakistan in 1947. "I can now concentrate on business."





Best Western Woodward Hotel and (inset) *Chhatwal: catering to middle-class tourists*

That business is hotels. Chhatwal has become something of a low-budget hotel *pasha* in New York City. He buys rundown hotels, refurbishes them and prices the rooms at budget rates to attract middle-class tourists. Most of the hotels are part of national hotel franchises like Best Western. Chhatwal says he prefers to buy hotels in and around the Broadway area, the commercial district defined by the great street cutting diagonally across Manhattan all the way from Battery Park in the south to Central Park. "The area is full of bustle 18 hours a day," explains Chhatwal.

He owns seven hotels in the island and the suburbs, including one near Kennedy Airport. "Four of them are within five minutes' walk from Rockefeller Center," he says, referring to the centre of Manhattan. The rooms go for under $100 a day, which is the reason for the 85 per cent occupancy rate — his figures — in a city of $200 a night hotels which are only 72 per cent full. In India Chhatwal Hotels has recently appointed Delhi based Sita Travels as its agent and advertises rooms at $32 per day for travelling *desis*. "I have 1,750 rooms now," he says proudly, pointing out that they cost him about $150,000 a room to purchase but are now worth $250,000 a room and more. "The management is completely professional," he adds.

For summer tourists

Chhatwal also owns two hotels in Daytona Beach, Florida, a hot spot for summer tourists. Eventually, he wants to own about 3,000 rooms in major centres like Washington, D.C. and Boston. "Once I have established myself," he says, "I will get more money through a private placement or by going public." He does have other plans, for a chain of fast-food restaurants serving mostly Indian food. "But you can't make money by serving only Indians," he says. For the moment, however, Chhatwal is concentrating on his hotels. He could be on to a good thing here, buying into New York real estate when it is going through its worst slump of the decade.

■ A SPECIAL CORRESPONDENT in New York



Today business is transacted on a national and increasingly global scale. Computer systems, designed to handle today's business needs, are only as good as the connections they can make. To make the right connections computer systems the world over are opting for open communication choices like OSI.

OSI — The World Standard

OSI (Open Systems Inter–Connection) ensures that computers conforming to it are able to communicate with each other transparently — irrespective of who makes them. Now you can harness all your computing resources into an integrated network — all based on OSI. OSI based networks are now coming up in India. ERNET — a nation–wide network for education and research is one such example. The U6000 series has an extensive suite of OSI options that allow it to interoperate with other vendor systems.

NETWORKING

In addition, the U6000 series comes with extensive communication choices to keep you in touch with other systems — both inside and outside your business. They allow the U6000 series super–minicomputers to blend into an IBM, DEC or UNISYS network. Open communication choices also include sophisticated PC and UNIX interconnection along with plenty of local and remote options including Ethernet, Local Area Networking, X.25 Wide Area Networking.

Talk to us today to see how the U6000 Series Open Communication choices can make a world of difference to your business.

After all, your needs are MORE.

PC INTERCONNECTION :
PCI, PCU, MERGE, NET-PC (TCP/IP TRANSPORT)
UNIX INTERCONNECTION :
UUCP, CU, RFS
IBM INTERCONNECTION :
BSC-3270 EMULATION, 2780/3780 RJE, SNA-TRANSPORT, 3270 EMULATION, RJE, X.25, APPC, SNADS
DEC INTERCONNECTION :
DNI
UNISYS INTERCONNECTION :
UNISCOPE TERMINAL EMULATION, UNISCOPE DATAXPRESS, ET 1100 EMULATION, POLL/SELECT FILEXPRESS
OPEN COMMUNICATIONS :
OSI FTAM, OSI MHS (X.500), X.25, TCP/IP (ETHERNET), NFS



TATA UNISYS LTD.

U6000 SERIES–MORE FOR YOUR NEEDS

Registered trademarks and their respective companies
IBM : International Business Machines Corporation, DEC Digital Equipment Corporation; UNISYS : Unisys Corporation

For further information contact:
Bombay : Sahas, Veer Savarkar Marg, Prabhadevi, Bombay-400025 Tel : 4308243, 4308161 **Bangalore :** Mahalaxmi Chambers, 5th Floor, M.G. Road, Bangalore-560001 Tel : 579781-84 **Calcutta :** Grosvenor House, 2nd Floor, 21, Camac Street, Calcutta-700016 Tel : 441104 **Delhi :** Creative 10, Masjid Moth Commercial Complex, New Delhi-110048 Tel : 6444457 **Madras :** Kakani Towers, 15, Khadar Nawaz Khan Road, Madras-600006 Tel : 474502, 479808 **Goa :** 17-B, Tivim Industrial Estate, Mapusa, Goa-403426 Tel : 2955

TANDARD MOTORS

Third time lucky?

ast fortnight, a new dimension was dded to the continuing rehabilitation rama at the Madras-based Standard lotor Products of India Ltd (SMPIL). J.V. atel, a non-resident Indian with operaons based at the tax haven of Guernsey, K, made an unpublicised visit to Madras negotiate a possible take over of this ng ailing company.

The visit was at the initiative of P.R. indhu Madhavan, resident director of ne Indian Investment Centre's office at ondon. This is the third attempt by an RI group to take control of Standard Mo-rs. NRIs have been interested because, s Madhavan says, "The attractive feature r them taking over sick companies is hat 100 per cent repatriation of capital nd dividends is permitted, after the com-



Patel and Moore: quiet moves

pany becomes profitable of course."

Towards end-June, Madhavan read ewspaper reports on Standard Motors nd brought it to the notice of Patel, group hairman of AIG (Holding) Ltd, which ontrols a group with a turnover in $500 illion. "The AIG group consists of com-panies with operations spread all over the world with interests in electronics, chemi-als and the leisure business," says Patel, who became a British citizen after he moved from Kenya in 1959, and is not will-ng to give further details. "We are private nd we are not obliged to make any dis-losures to the public," says Jonathan Moore, group finance director, who was formerly chairman of Servis Domestic Appliances, reportedly a £100-million UK-based company.

It is said that the group has a dealership for an automobile diesel engine manufacturer and owns a technology transfer company, AIG Technology Transfer Ltd. "We became interested because we found the Board of Industrial and Finance Reconstruction (BIFR) package very attractive. It allows concessions on historic debts, deferment of loans to the next century and interest rate reduction. As it stands today, even Standard Motors' accumulated losses do not deter the takeover, although the company is a challenge," says Patel. It is reported that he is willing to pump in Rs.20 crore to revive SMPIL. Patel and company have an extremely tough job ahead with SMPIL. In 1985, this company launched the Standard 2000 with great fanfare, expecting to vault into the high profit league soon. Instead, with the car running only 5 km to a litre, the market remained very limited and the company went into a downslide almost immediately. It piled up losses of Rs.21.63 crore by March 1988 and was shut down — it has remained shut for 21 months now. It was referred to the BIFR with a proposal for a rehabilitation package. Estimated accumulated losses have ballooned to Rs.60 crore.

The BIFR package stipulated that the new promoter must bring in Rs 4.6 crore as equity. Also, he must re-establish working capital lines with the banks. "Currently it is very difficult to visualise prospects as we are still awaiting the technical team's appraisal. Nevertheless, the basic study is complete and we are optimistic that the technical report will not throw up anything new," says Patel.

According to a senior spokesman of the Tamil Nadu government, which has a large financial exposure in SMPIL, Patel's proposal is being examined closely. "We are checking out the person and his interests," he says. The state government has agreed to put up Rs.3.02 crore in interest free loans as stipulated by the BIFR. The financial institutions and banks have also agreed to reschedule existing loans with reduced interest rates.

On the labour front, the workers' union has agreed to a wage freeze for five years after the factory re-opens. "As long as the new promoter can take the right financial decisions, it is irrelevant who he is," says M.M. Rajendran, chief secretary to the Tamil Nadu state government.

According to a preliminary understanding, the AIG group will be purchasing over 74 per cent of SMPIL held by A.C. Muthiah and his associates at a price which is "definitely below the current market price of Rs.14", says Moore. It is reported that Patel's stake will be in excess of 80 per cent.

Patel's revival plan is backed by a commitment to export cars to generate hard currency. Also, components and spare parts for the vehicles will be sourced here in India. As Patel puts it, "I understand that the auto ancillary industry in India has upgraded technology in the last five years."

Though the BIFR recommends that the company should now concentrate only on LCVs, Patel feels that, "if SMPIL has to be export oriented, a broad product range covering cars and LCVs will help us compete in the foreign markets."

Patel plans to re-examine the technical collaboration agreement with Austin Rover of UK, as also the car's engine, which is the main reason for its failure. "An evaluation of the Standard 2000 will be done to make economic sense. We will look for a 2 litre engine if available," he says. Adds Moore, "The Rover 2000 was a completely integrated car, unlike the Standard 2000 which was a piece-meal job with a fifties Vanguard engine modified for a 1977 car." According to one source, Renault technology is being considered for possible induction.

As it stands today, Patel has had informal talks with the state government, the BIFR and the concerned authorities. And as he says, a clear picture of SMPIL's revival will emerge only after the technical report comes in. Bindu Madhavan, however, says "The deal is almost clinched — only the modalities have to be worked out."

If the proposal works out, Standard Motors will be third time lucky.

■ LANCELOT JOSEPH and BASUDEV DASS

Ennore Foundries Limited

Ennore, Madras 600 057

Speech delivered by Chairman, Shri Mantosh Sondhi, at the Thirtieth Annual General Meeting of Ennore Foundries Limited held on Thursday, September 6, 1990 at Madras.



Shri. Mantosh Sondhi

Ladies & Gentlemen,

I extend to you all a very cordial welcome to this thirtieth Annual General Meeting of your Company.

The Directors' Report and the Audited Accounts for the 15 months period ended March 31, 1990 have been with you for some time. May I, with your permission, take them as read.

PERFORMANCE

The period under review covers a span of 15 months, while the previous financial year was for a period of 12 months. During the period under review, turnover increased to Rs. 77.09 crores, from Rs. 48.92 crores in 1988, recording a growth of 26% on an annualised basis. Profit before tax rose to Rs. 2.9 crores, an increase of 16.6% on the same basis. Return on investment, assets intensity and value added per man also improved despite constraints on essential inputs like power supply and critical raw materials.

With the improvement in performance, your Directors are pleased to recommend a higher Dividend of 25% for the period, equivalent to 20% on an annualised basis.

PROSPECTS FOR 1990-91

The past few years have witnessed a buoyancy in the automobile and tractor industries. The important sector of medium and heavy commercial vehicles which faced a fluctuating demand in the past has also registered encouraging growth. The tractor industry has also done extremely well. The demand for intricate castings is, therefore, promising and your Company is well poised to meet this challenge.

In the foundry industry, captive power supply is important not only from the point of view of higher production, but also to maintain quality standards. Steps being taken by your Company to further augment captive power supply would ensure that your Company is adequately geared to meet the demand for its products.

Though the present oil crisis does cast a shadow on future growth of the economy, I am hopeful that our Government would provide pragmatic and meaningful responses to meet any future eventualities, so as to sustain economic and industrial growth.

THE LAST DECADE

As we enter the nineties, it would be appropriate to review the performance over the past decade and to develop appropriate strategies for the future.

During the last decade, your Company faced many challenges. The advent of new breed of automobiles based on state-of-the-art technology brought with it tremendous changes in design concepts, quality standards and cost objectives, as well as in work culture, ethos and attitudes. These changes have, in turn, put a lot of pressure on the operations of foundries by way of lower lead times, stringent quality parameters and tighter delivery schedules. Strategies were evolved to adjust our design and manufacturing capabilities to meet these challenges and maintain the Company's supremacy in the foundry industry. The high pressure hydraulic moulding system, resin bonded core making facilities, CNC copy milling machines and computer aided facilities for the design of intricate patterns were introduced. Sophisticated test equipment to further upgrade the quality of our products has also been procured and commissioned. The emphasis on technology has enabled your Company to play its due role in indigenisation of the new range of intricate castings contributing to savings in foreign exchange.

THE NINETIES

The decade of the nineties would not clearly be an extension of the past. Given the continuing improvements in technology and rapid changes in global industrial and market economies, there is a need for India to restructure its policies suitably. The Indian industry would be expected to play a major role in meeting the challenges of a global presence.

The markets in the nineties would be more competitive, with continued emphasis on technological upgradation and product diversification. New strategies will have to be evolved and implemented to convert the emerging challenges into opportunities. Your Company, therefore, will have to strive hard to sustain a genuine competitive advantage, an essential pre-requisite for stability and growth. It will need to have a very close look at its operations to identify areas for further improvement. In this context, technology upgradation, vendor development and waste management have considerable relevance. These are the critical areas to which your Company would continue to accord close attention.

As I said the other day in another forum, your Company's continued success in the next decade will depend not merely on how efficient we are, but on how effective we are in harnessing this efficiency for competitive advantage. Focus on these key success areas will enable your Company to continue maintain market leadership and achieve sales, growth and profit higher than the industry average.

TECHNOLOGY UPGRADATION

India is today one of the largest producers of castings, grossing over two million tonnes of iron and steel castings. In the West and in Japan, Foundries have invested in a very high level of automation and in adopting latest techniques in melting, core making and moulding practices to achieve the new set of stringent parameters laid down by the end user industries.

Likewise in India also, we would have to take appropriate measures, if we are to be competitive not only in India but also in the export market. Upgradation of technology has a pivotal role to play. In this context, technology should not be understood in the restrictive connotation of procurement of sophisticated plant alone but should be seen in a much broader perspective of assimilating the skills and ensuring effective utilisation of available assets. Your Company is already moving along these lines.

While the Government, until recently, recognised this aspect and allowed sophisticated foundry plant and equipment to be imported on OGL and with concessional duty, under the Technology Upgradation Scheme, such imports have recently been subjected to the licensing procedures. The Government should reconsider this position, and restore the foundry equipment listed under the Technology Upgradation Scheme under OGL in the interest of making this industry internationally competitive.

Your Company is also making serious efforts to develop export of its products with the help of IVECO.

VENDOR DEVELOPMENT

While the foundry industry is developing its expertise and skills to meet the changed quality requirements, support from the vendor industries has been uneven. Their R&D efforts for improving quality and consistency of supplies are not fully adequate. Vendors to the foundry industry are both in the organised and unorganised sectors. Their response to modify specifications of materials to suit the industry's changing requirement is rather slow and at times lacking. A pragmatic approach and attitudinal change in this regard is necessary. Your Company continues to follow a policy of supporting the vendor firms to the extent feasible in this effort.

Though firm policy measures are yet to be given shape to, there is clearly an appreciation by the Government of the need to upgrade competitiveness in the small and medium scale industries. It would be appropriate if the vendor firms are open to these developments and take advantage of new opportunities for upgradation of technology and of their facilities.

WASTE MANAGEMENT

In the quest for improving profitability, attention to waste management is essential. Generally, significant savings in foundry operations are achieved by avoiding wasteful practices and by recycling of waste wherever feasible. Your Company is, therefore, giving much closer attention to waste reduction, resource recovery and for alternative usage of waste materials. Waste management also helps to reduce the environmental and ecological problems so acute in the foundry industry.

Material cost control has undergone a radical conceptual revolution in recent years. The focus has shifted to role of technology and operator skills in eliminating rejections, rather than building costly buffers to cater to possible rejections in future inspection. The competitiveness of a foundry will be increasingly judged in the future by the end user industries by this criterion.

INDUSTRIAL RELATIONS

Industrial relations for the most part of the year were cordial, although there have been some instances where shared perceptions could have been more helpful in ensuring higher performance.

ACKNOWLEDGEMENT

May I conclude by conveying our gratitude to LRLIH Limited for their unstinted support with their international marketing and technological resources. I am grateful to our valued customers for their continued patronage. I also take the opportunity to thank the financial institutions and banks for their support. Our thanks are also due to the Central and State Governments and the Tamil Nadu Electricity Board for their help. I am grateful to my colleagues on the Board for the valuable support and guidance I have been receiving from time to time. The members of the Board also join me in conveying their appreciation to all the employees of the Company for their dedicated work under the able guidance of your Managing Director. Lastly, may I say how grateful I am to you all for your presence at this meeting and for your continued support and goodwill.

NOTE: This does not purport to be a record of the proceedings of the Annual General Meeting.

ASSCOM MEET

Some overdue straight talk

st fortnight, when the high priests of the dian software industry met for the an- al conference of the National Associa- n of Software and Service Companies Nasscom) in Delhi, they were to hear me no-nonsense warnings from the for- gn participants. That India has an un- atable edge in software has been part of nventional wisdom. A highly educated, otivated manpower pool has been seen the driving force behind a succesful ex- rt thrust. But this may not necessarily rn out to be true. Studies have shown at, because of a lack of opportunities in dia, software professionals are seeking eener pastures abroad. And what most reign participants underscored at Na- com's conference this year was that dia would, perhaps, miss the bus ogether.

Herbert Blomquist, director of the In- rnational Contract Programming Or- nisation of Hewlett Packard, was quite unt in his approach. He told the audi- ce clearly that they must get the Indian vernment to understand one thing. The nger it delayed in helping foreign com- ter companies do business with them, e more difficult it would be for India to cess international markets. James ark from the AT&T Unix Laboratory did me straight talking too. "An army that s to attack today cannot wait till tomor- w. You have to make do with the apons you have," he said.

The picture that emerged was clear; dia and the industry were running out of ne to organise software exports before ost whatever edge it had to other more mble competitors. The Nasscom meet ghlighted several problems the industry es. India's share of the $120-billion obal software market is just 0.05 per nt — a disproportionately small figure nsidering that the country has the best nk of software professionals. Of late, sscom and the Software Export Promo- n Council have been negotiating a new ckage of incentives for software porters.

vernment takes note

e more or less active participation of vernment officials in the meetings ant that they had been able to convince e powers-that-be. The commerce secre- y, S.P.Shukla, on the last day of the meet said that "a composite package of measures to boost software exports will be announced shortly", while hoping that they would be equal to the country's merchandise exports.

That he meant it became evident after the conference when, on 7 September, the government announced that profits on exports of software would be exempt from income tax. Says Harish Mehta, president, Nasscom, "This is the first indication that the government is taking the software industry seriously."

According to Saurabh Srivastava, chairman of Electronics and Software Export Promotion Council and a member of the Nasscom executive council, the government has been informed of the need for reliable, high-speed data communication facilities at internationally competitive rates. Nasscom has also asked for venture capital schemes for software companies as these units do not fall under the usual purview of bank loans. Such measures will be necessary if the new target for software exports — $400 million in the next 12 months — announced by N. Vittal, secretary, department of electronics, is to be achieved.



The announcement that profits on exports of software would be exempt from income tax is the first indication that the government is taking the software industry seriously, says Harish Mehta

According to figures available, though the US controls 74 per cent of the international software market, India could do well in the European market. This market was estimated at almost $40 billion last year with an annual growth rate of about 17 per cent. But, a manpower shortage has countries like West Germany, UK, France and Holland worried. While 40,000 software specialists are required in West Germany each year, an additional 12,000 are needed in the other countries. Industry watchers feel that India could successfully tap this market — especially the end user segment, worth close to Rs.14,000 crore every year. But this is vitally dependent on co-operation from the government.

We're no longer cheap

While earlier, lower overheads, cheap manpower and the widespread use of English had lured many foreign software houses to India, this is no longer so. Says Blomquist, "It is cheaper for us to do business in China and other developing countries which today offer better facilities than India. The only advantage that India now has, therefore, is its people."

Says Thomas Watson III, manager of Texas Instruments, which has a software export facility in Bangalore: "The quality of people is good; they are our value-addition." Most foreign companies, however, are not interested in only setting up exclusive shops here. They also want to subcontract a major portion of their development work. But tight development schedules are usually a stumbling block, while procedural delays only make matters worse.

If the government is seriously considering an additional boost to software exports, it will be more than worth it. Provision of the necessary data communication links will help direct access to computers abroad, thereby cutting foreign exchange expenditure incurred in importing the hardware. As Blomquist says, "You have an image of being productive and you must stick to it." The policy announcements will, therefore, help India establish a larger presence in the tough international market.

■ RAHUL SHARMA

THE INDIAN SEAMLESS METAL TUBES LIMITED

Registered Office : 6E, Ramabai Ambedkar Road, Pune - 411001.

CHAIRMAN'S STATEMENT



Shri. J.G. Keswani, Chairman

The Directors' Report and Accounts for the year ended March 1990 will have given you an overview of the operations during the year 1989-90. I trust you will share my satisfaction with these excellent results and pride in the fact that your Company continues its unbroken record of high performance year after year.

Promises of the Nineties

As your Company enters the Nineties, after completing a decade of outstanding achievements since commencing commercial production in Sept '80, the entire national economy appears poised for a much faster growth than seen hitherto. The new Industrial Policy of the Government of India promises to remove bureaucratic controls and shackles on investment, expansion, acquisition of new technologies, and growth. I have no doubt whatsoever that our economy, helped by increasing liberalisation, will now fully realise its growth potential, and in the next ten years match that of the most advanced industrial nations.

Our corporate goals

The Nineties are, therefore, for the Indian industry the decade of opportunity. To make the best use of the opportunities that are being presented, your Company has set for itself corporate goals for the decade. These are:

- To establish itself as the highest-quality, lowest-cost seamless tube producer in the country.
- To ensure high-quality and reliable raw material sources by backward integration.
- To maintain the momentum of increase in output.
- To establish itself, by exports, as one of the front-rank seamless tube producers in the world.
- To employ the surpluses gainfully in new ventures to maximise returns to the shareholders.
- To be recognised throughout the economy for its management excellence, employee relations, and for keeping faith with its investors.

Looking back on the record of the last 10 years of your Company, you will agree with me, that the goals will be more than met in the decade ahead.

The Company has already embarked on achieving these goals. The first step, the project for expansion of capacity from 30,000 tonnes to 50,000 tonnes, is proceeding on schedule. The completion of the second phase in 1992 will enable the Company not only to triple its present output but to upgrade quality and to cut costs significantly. The steel project, is also progressing on schedule.

A total exercise is also going on in the Company to cut costs in the areas of materials and manufacturing, financial and operating overheads. Value added per employee is being stepped up. By cutting costs while simultaneously upgrading quality and product range, your Company aims to secure for itself an unassailable lead in the competitive scenario of the Nineties.

Transformation

The next few years will also mark our transformation from a medium-sized company to the flagship of a rapidly growing Group. The capital expenditure in the Group during the next 3 years is expected to be about Rs. 200 crores. Such large investments would, no doubt, require co-operation from various Government agencies, Financial Institutions and the Banks. I take this opportunity to thank them for their unstinted co-operation and encouragement in the past, and hope that this will be equally forthcoming in the future.

Our thanks

Our thanks are also due to our customers, suppliers and other business associates for having always stood by the Company. I would like to place on record my appreciation of helpful counsel and services offered by Mr. J.N. Godbole and Mr. M.D. Limaye the erstwhile nominees of IDBI and IFCI respectively, on our Board while warmly welcoming their successors Mr. S. Srinivasan and Mr. R.M. Agarwal. I would also like to thank my colleagues on the Board for their guidance, and especially Mr. B.R. Taneja and Mr. T. Datta for providing able leadership to our talented and dedicated team.

PRATIBHA-90-686



Note: This does not purport to be a report of the proceedings of the 12th Annual General Meeting held at Pune on 3rd Sept. 1990.

allis India

ofits show steep decline; subsidiaries rform very badly; dividend reduced; rrent year's prospects brighter

the recent Rallis India AGM, chairman rbari Seth announced that he and the ard had let shareholders down. While e fact that he made such a statement oused comment, there was no question at Rallis India did flounder through the ar that ended on 31 March 1990. A com-nation of factors (some not clear even to e management) pushed the company's gineering and pharmaceutical divi-ons below the bottomline, and severely oded the profits of the agrochemicals vision which had a good year.

To make matters worse, the company's

allis India			(Rs crore)
ear ended	31 Mar '90	31 Mar '89*	% change†
ross Sales	356.03	296.66	10
her income	4.63	2.47	71
otal income	360.66	299.13	10
aw material cost	96.90	82.50	34
mployees' costs	25.76	21.65	19
terest	11.49	6.99	10
ross profit efore interest)	5.58	11.55	-56
epreciation	3.40	2.69	16
ofit before taxes	2.23	8.83	-77
axation	0.40	0.81	-
et profit	1.83	8.02	-79
PS (Rs)	1.92	9.18	
vidend (%)	10.00	25.00	
arket price (Rs.)			
urrent	80.00		
990 - High	105.00		
Low	60.00		

11 months † annualised

bsidiaries performed poorly. Ralliwolf sted a loss of Rs.4.22 crore that con-med its entire net worth. Indian Stan-rd Metal incurred a loss of Rs.3.17 crore, d turned sick. The company's only rea-n for cheer was its export division which gistered a growth of 42 per cent. Ex-rts of garments, pesticides and chemi-s contributed most to the increase in formance from Rs.20.5 crore during 88-89 to Rs.29.2 crore in 1989-90.

The company's profit margins slipped m 6.2 per cent to 4.8 per cent. So did ss profits margin from 29 per cent to 26 cent. Margins were severely eroded e to several reasons: Raw materials cost nt up steeply; the company's phar-ceutical division, 85 per cent of whose products come under the Drugs (Prices Control) Order 1987, posted a loss; and excessive stocks of fans piled up with the company and its dealers. Liquidation of these forced a severe curtailment of sales and production.

The company's ROI (gross profit before interest to net worth) declined from 13.39 to 8.93 per cent. Earning power too declined from 6 to 0.96 per cent. The times interest cover earned too declined from 2.65 to 1.49. The ROI decline reflected the eroded profit margins and the earning power decline was an outcome of a 10 per cent increase in interest.

The P/E ratio shot up from 9.26 to 44.27 while the capitalisation rate declined from 11 to 2.3 per cent. Decline in EPS is the direct result of a reduced net profit. The rapid rise in P/E ratio follows from the fact that market price remains at Rs.85, while EPS has shown a steep decline. (The current bullish market sentiment is the only reason why the price has not declined as it should have.) Dividend payout shot up from 27 to 52 per cent showing the steep erosion in net income. While total costs of goods sold went up by 15 per cent, inventories reduced by 3 per cent as inventory turnover improved.

Prospects for the company seems brighter than what the current figures portend. Current export promotion policies will give a fillip to the export division. The fine chemicals division is awaiting government approval for the manufacture of other fine chemicals based on in-house R&D. And the agro-chemical division will pull profit margins up, now that the company has completed and commissioned new facilities which will have a synergic multiplier effect.

The National Rayon Corporation

On the road to recovery; accumulated losses substantially reduced; buoyant market conditions for company's products; exports up

This 43-year-old company has finally stopped making losses. The National Rayon Corporation Ltd, which till last year had accumulated a loss of Rs.20.35 crore, has successfully and speedily turned around. By March 1990, the losses of this BIFR-case company reduced to Rs.9.46 crore. And, by 1991-92, it expects to restore its net worth that has eroded completely and also go into the black.

NRC			(Rs crore)
Year ended	31 Mar '90	31 Mar '89*	% change†
Net sales	180.55	109.07	24
Other income	5.99	3.18	41
Total income	186.84	112.25	25
Raw material cost	65.50	40.59	21
Employees' costs	39.73	23.67	26
Interest	7.42	5.56	
Gross profit	13.10	1.71	474
Depreciation	2.21	1.58	5
Net profit	10.89	0.13	
Loss brought forward	20.35	21.65	
Balance carried forward	9.46	20.35	
Equity capital	7.76	7.76	
Reserve & surplus	71.73	72.55	
Borrowings	37.78	42.91	
Market price (Rs.)			
Current	1460.00		
1990 - High	1520.00		
Low	430.00		

** 9 months † annualised*

Gross sales this year reflect an impressive growth of 23 per cent. The appreciable improvement in sales and profitability of the company has been due to increased production. Manufacture of textile rayon yarn increased by 40 per cent (in volume), earning a revenue of Rs.96.26 crore. Similarly, nylon tyre cord's sales went up by 59 per cent on an increased production of 5,458 tonnes. Exports also increased during the present year to Rs.4.18 crore (Rs.1.32 crore).

All round cost control measures and efficient utilisation of the company's resources has paid off. In addition, the company's main products that were experiencing dull market conditions came back in demand. As the cost of polyester filament yarn shot up, textile mills and powerlooms reverted to using rayon filament yarn that comprise 48 per cent of the company's turnover. This, combined by the boom in rayon fabric and yarn exports, hiked the demand even further.

The company has been able to contain its interest cost. It has also been able to keep its raw material expenses down. Percentage of raw materials cost to net sales in 1989-90 has been pegged at 36.2 per cent (37.2 per cent). Better price realisations for three of the main products, accounting for 91 per cent of its turnover, also helped improve its performance. NRC sold its RFY at Rs.97,000 per tonne (Rs.81,844 per tonne). The price for its tyre filament cord went up to Rs.136,000 per tonne (Rs.123,000 per tonne) and that of caustic soda to Rs.7,820 per tonne

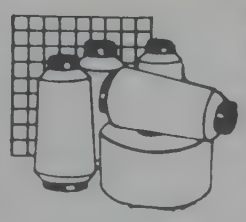
THE UNIWORTH GROUP

Three decades of international manufacturing success...

The Lohias, led by the founder Shri N.R. Lohia, set up their first world standard manufacturing unit in Nepal. This success spurred on a wide spectrum of pioneering industrial ventures:

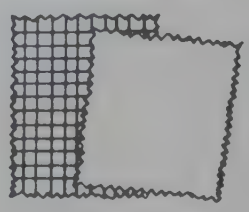
- ★ Updated yarn manufacturing complex in Indonesia.
- ★ The most modern steel plant in Indonesia.
- ★ Nepal's first and largest ultra-modern textile unit.
- ★ Asia's first ever agrowaste based, energy self-sufficient plant in Thailand.
- ★ The latest state-of-the-art synthetic fibres project; again in Indonesia.

In Yarns



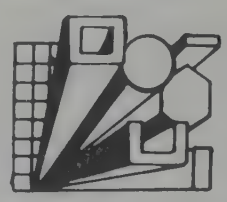
PT Indo-Rama Synthetics, Indonesia, with over 65000 spindles ranks among the country's largest producers and exporters of yarn. Turnover exceeds US $55 million with the major output being exported to Europe, Japan, etc.

In Fabrics



Ashok Textile Industries (Pvt) Ltd., Nepal is the largest Synthetic Fabrics manufacturing unit in Nepal with a turnover exceeding US $8 million. Equipped with the finest weaving, knitting and processing facilities, the Plant has an annual production of over 5 million metres. It enjoys a 35–40% market share.

In Steel



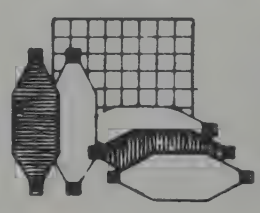
PT Ispat Indo, is Indonesia's largest steel plant in the private sector with a turnover exceeding US $100 million. Manufacturing a wide range of Steels, Flats, Bars and Billets with exports to sophisticated markets like the U.S.A. and Japan.

In Agrochemicals



Indo-Rama Chemicals (TH) Limited, Thailand, is the only venture of its kind in Asia. It manufactures Furfural, Furfural Alcohol and Acetic Acid from agrowaste. Another unit is being commissioned for manufacturing Sodium Hydrosulphate. This Company's turnover will be over US $14 million.

In Synthetic Fibres



PT Indo-Rama Synthetics (Polymer Division) will soon be producing Polyester Staple Fibre, PTY, POY and Polyester Chips for local markets and for export. The Division's turnover is expected to exceed US $81 million.

With an enviable track record internationally, the Lohias are on the threshold of creating new milestones on a global perspective in India.

Nepal, Thailand, Indonesia... the NRI Lohias now come to India

The Uniworth Group

Rawdon Chambers, 11-A Sarojini Naidu Sarani, Calcutta 700 017

International. Innovative. Integrated.

PRESSMAN

Rs.6,348 per tonne).

That the future appears bright for this ompany which has already caught the in-estor's attention. At an earnings per nare (Rs.100 at par) of Rs.140, the mar-et has already discounted the scrip ten mes with the price hovering around s.1,460.

ndrol Lubricants & Specialities

Higher dividend combined with bonus; ales stagnant; profits under pressure; re-uced borrowings

ndrol Lubricants & Specialities which as recently changed its name to Castrol ndia under a name licence agreement ith Castrol, UK, produces industrial & utomotive grade lubricating oils and reases. For the 9-month period ending 1 March 1990, there has been virtually no ncrease in sales turnover on an annu-lised basis from Rs.154.86 crore to s.116.60 crore. In volume terms, sales

Indrol Lubricants			(Rs crore)
Year ended	31 Mar '90*	30 Jun '89	% change†
Sales	116.60	154.86	
Other income	2.29	2.27	34
Total income	118.9	157.14	
Raw material cost	90.13	118.86	1
Employees' costs	4.74	5.56	13
Interest	4.07	3.97	36
Gross profit	6.66	10.36	-14
Depreciation	1.17	1.39	12
Taxation	2.15	3.1	-7
Net profit	4.51	7.26	-17
Share capital	6.15	6.15	
Reserves	29.14	26.26	
Dividend (%)	27.00	30.00	
EPS (Rs.)	9.76	11.81	
Market price (Rs.)			
Current	267.50		
1990 - High	286.00		
Low	161.00		

9 months † annualised

as declined by 3 per cent, from 66,133 nnes to 64,134 tonnes (annualised). The ecline has mainly been in the automotive ade which constitutes over 75 per cent the company's turnover. Sales volume as fallen by 5 per cent due to a sluggish emand for automotive lubricants.

The company's performance has been iversely affected by the increase in inter-t charges and employees' cost. However, ere has been virtually no increase in raw materials cost. Profits have fallen, gross profit margins were down to 5.7 per cent (6.6 per cent). At net levels, the margin slipped from 4.68 per cent to 3.86 per cent.

Despite a mediocre performance, the company managed to reduce its debt: equity ratio from 1.2:1 to 0.7:1 by reducing bank overdrafts. They have also decided to issue bonus shares in the ratio of 3:5 capitalising over Rs.3 crore. On an annualised basis, dividend is up six points at 30 per cent. With profits down, the dividend payout ratio has more than doubled to 37 per cent from last year's 18 per cent.

It is noteworthy that the company has substantial reserves of Rs.29.14 crore built up over the years. This is almost four times the share capital. With capitalisation of Rs.3.69 crore of the share premium, the capital is expected to increase by 60 per cent next year. However, going by the meagre profits acquired during the period under review, the company will surely have to increase its earnings capacity in the current year in order to, at least, maintain a reasonable dividend.

TRENDS

Brooke Bond

Brooke Bond, in which the Unilever group holds a 40 per cent equity, has not had a very good first half.

A rise in tea prices and costs of packaging has put pressure on the company's profit margins. In fact, raw materials as a percentage of sales has seen a rising trend. During the period under review, the company sold off a paper unit and made a profit of Rs.4.81 crore. But for this, the profit would have been a little less than that in the corresponding period last year.

Brooke Bond plans to enter leasing and hire purchase. It is also contemplating fresh investments to increase its food processing capacity. The increased capacity would either be done through expansion or acquisitions. The company's foray into instant coffee granules has proved successful.

In its recently concluded AGM, shareholders approved the resolutions pertaining to the increase in borrowing limits of the company by fourfold to Rs.200 crore. This would help in financing future plans.

Meanwhile, the board has decided to pay an interim dividend of 20 per cent.

Brooke Bond			(Rs. crore)
Period	Jan '90-Jun '90 (26 weeks)	Jan '89-Jun '89 (27 weeks)	Jan '89-Dec '89 (53 weeks)
Sales	330.93	256.67	539.42
Other income	6.77	5.70	12.32
Total income	337.70	262.37	551.74
Raw material cost	200.72	141.81	308.88
Salary & wages	14.00	12.72	25.80
Operating profit	38.34	30.25	59.05
Interest	6.04	2.77	7.15
Gross profit	32.30	27.48	51.90
Depreciation	1.47	1.29	2.85
Tax	11.00	10.95	21.00
Net profit	19.83	15.24	28.05
OP/sales (%)	11.58	11.78	10.94
RM/sales (%)	60.65	55.25	57.26

Shree Acids and Chemicals

Shree Acids and Chemicals, engaged in diversified activities such as fertiliser and paper, has had a good half. The company's profits continue to witness an upward trend, owing to buoyancy in the paper industry. Also, the fertiliser division is doing well as the industry is thriving due to good monsoons in recent years.

Meanwhile, the company is making efforts to slowly reduce its dependence on imported waste paper and to use pulp manufactured from agricultural residues within the country. This step will further improve the profitability of the paper division.

The equity of the company is pegged at Rs.2.60 crore. Based on this, earnings per share works out to Rs.10.60 on the net profit of Rs.2.75 crore for the year ended June 1990.

The company has set up a 100 tonnes a day sulphuric acid plant at Gajraula. It also plans to promote a new company —

Shree Acids and Chemicals			(Rs. crore)
Period	Jan '90-Jun '90	Jan '89-Jun '89	Jan '89-Dec '89
Net sales	14.95	13.64	30.93
Other income	0.17	0.10	0.15
Raw material cost	9.27	10.83	23.44
Salary & wages	0.56	0.54	1.02
Operating profit	2.91	2.24	3.99
Interest	1.24	0.83	1.47
Gross profit	1.67	1.41	2.52
Depreciation	0.48	0.36	0.73
Tax		0.02	0.06
Net profit	1.18	1.02	1.72
OP/Net sales (%)	19.46	16.42	12.90
RM/Net sales (%)	62.00	79.39	75.78

A Blue-Chip Performance In 1990*

At Gujarat Lease Financing, 1990 has been like any other year. Each better than the previous one.

And what better way to reward an excellent performance than to declare a 30% dividend on capital enhanced by a 1:2 Bonus.

A Company that gave a record dividend of 30% on top of a 1:2 Bonus

Gujarat Lease Financing was promoted by GIIC, the dynamic industrial investment corporation of Gujarat with several sparkling successes to its credit. And in a short span of five years GLFL has lived upto its credentials to emerge as one of the country's fastest growing integrated finance companies. It has country-wide operations in leasing, hire-purchase and a variety of financial services.

The pace of growth of Gujarat Lease Financing has to be seen, to be believed. Average annual growth rate over the last three years:

Asset Formation	150% p.
Net Profit	68% p.
Net Worth	48% p.

And inspite of this, the best is yet to come at GLFL. Soon you too can share the rewards of GLFL's growing successes.

PUBLIC ISSUE OF 35,00,000 EQUITY SHARES

Rs. 10/- EACH FOR CASH AT A PREMIUM OF

Rs. 5/- PER SHARE

* For the year ended 31st March 1990

Gujarat Lease Financing Limited
(Wholly owned subsidiary of GIIC)
1st Floor, Hasubhai Chambers, Opp. Town Hall,
Ellis Bridge, Ahmedabad 380 006.

Gujarat Lease Financing Limited
The Blue-Chip Integrated Finance Company

PREMIUM ISSUE OPENS ON 8TH OCTOBER, 1990

Super Byteron Systems, in technical and financial collaboration with Vanguard Chemical of the US to manufacture polybutylene pipes and polyacetal fittings used for water transmission and plumbing.

RESULTS ANNOUNCED

Vinayaka Synthetics

Vinayaka Synthetics' sales for the year ended March 1990 has increased by 42.3 per cent to Rs.10.6 crore. The gross and net profits are up by 42 per cent and 132 per cent at Rs.84 lakh and Rs.24 lakh respectively. This accounts for an earnings per share (EPS) of Rs.2.75 on an equity base of Rs.1.54 crore.

The current year's working shows an encouraging trend with the turnover for the first five months pegged at Rs.5.75 crore of which exports accounts for Rs.3.07 crore. If the trend in profit margins is maintained, and the projected turnover of Rs.18 crore for the current year reached, the EPS will be around Rs.6.

Meanwhile, the company has acquired land at Tarapur for a hi-tech processing house. This vertical expansion involves a cost outlay of Rs.2.5 crore.

Ficom Organics

Ficom Organics has reported a 17.1 per cent increase in its net sales on an annualised basis to Rs.21.87 crore for the year ended March 1990.

During the year under review, the company's profit margins were under pressure mainly on account of the rise in prices of raw materials. Although the gross profit before depreciation has increased by 9 per cent, the net profit has fallen by 12.75 per cent to Rs.2.15 crore.

Currently the company proposes to invest Rs.25 crore in new projects in the chemical sector. Apart from this, it is also widening its product range so as to cover the entire range of alkyl phenols like para octyl phenol (POP), used in ethoxylate resin manufacture, and para tertiary butyl phenol (PTBP) used in speciality resin manufacture. Both these are import substitute products. It also plans to manufacture di-alkyl phenols used in anti-oxidant plastics.

Ficom has already expanded the capacity of dodecyl phenol and nonyl phenol totalling 10,000 tpa.



Mahindra Nissan Allwyn

Mahindra Nissan Allwyn (MNA), under the Mahindra & Mahindra (M&M) fold, has performed well for the year ended March 1990. On an annualised basis, the turnover is up by 42 per cent to Rs.52.48 crore with both production and sales of vehicles having gone up.

MNA has posted a gross profit of Rs.1.51 crore against a loss of Rs.4.76 crore achieved in the previous period of nine months. After paying a higher interest of Rs.3.71 crore (Rs.2.64 crore) and depreciation of Rs.0.89 crore (Rs.0.67 crore) the total loss for the year ended March 1990 Rs.3.09 crore (Rs.8.08 crore).

There is a clear indication that the demand for Mahindra Nissan LCVs is increasing. During the year, the company test marketed the long wheel base models during 1989-90 and introduced them in selected areas.

Meanwhile the rehabilitation scheme has been finalised with IDBI as the lead institution. The package includes M&M's Rs.4.05 crore, and Nissan Motors' Rs.1.15 crore — both in the form of additional equity.

Sterlite Industries

Sterlite Industries has put up a good show as is evident from its unaudited financial results for the year ended June 1990.

The company's turnover has doubled to Rs.70.98 crore. After providing Rs.1.31 crore (Rs.0.81 crore) for depreciation and Rs.1 crore (Rs.5 lakh) for taxation, the profits at net level has zoomed by 96 per cent to Rs.8.54 crore. Thus the earnings per share amounts to Rs.26 (Rs.13), pushing up the share price to Rs.230 from

EXCELLENT THROUGHPUT AND PRINT QUALITY -AT THE RIGHT PRICE



SE-1320
THE RIGHT PRINTER

Sandur Electronics introduces SE 1320 and SE 8020. Two rugged, reliable dot matrix printers. Designed for trouble free, non-stop operations.

These printers are manufactured with technology from world renowned Nakajima ALL Co. Ltd., Japan*.

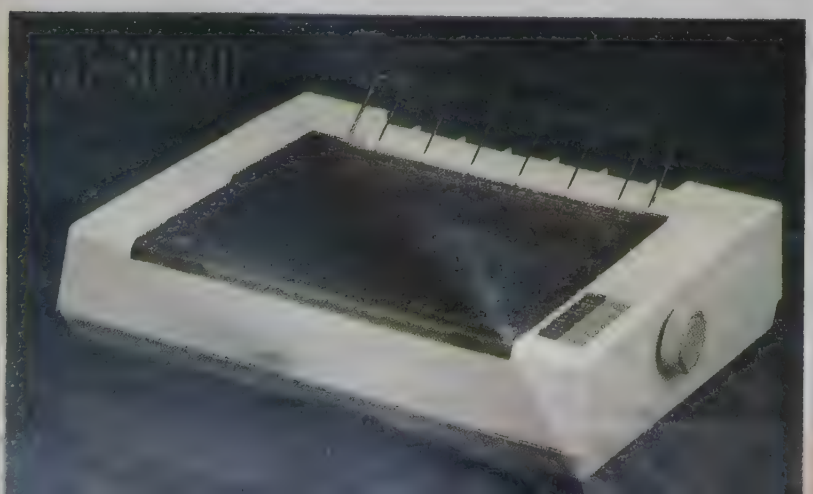
RANGE– SE 1320 - 136 Col: SE 8020 - 80 Col:

Printing Speed : • 240 CPS (@ 12CPI) • 40CPS (NLQ) • 200 CPS (@ 10CPI)

Print Head : 9 Wires, Head Life - 100 million characters

Print Feed : Auto Insert: Loads paper automatically to top of form.

Compatibility : IBM®/EPSON® (Switch selectable)



SALIENT FEATURES

- Flapper type print head for **excellent print quality**
- Quick change of interface - parallel/serial.
- Buffer memory - 7K Bytes as Standard (128 Down loadable characters) plus 8K Bytes option
- Cover open switch - for **temporary stoppage of printing without going off-line**
- Automatic error indication
- Print modes through software
- **Excellent throughput** - 266 secs for printing 9 pages **
- Front panel print pitch selections for 10, 12, 17 CPI
- **Default print setting** for condensed, emphasised, slashed zero
- Font card options available.

* Nakajima Technology Licensed through KOVAC CORPORATION, Japan

** 37386 characters; 603 lines, 62 characters per line, 12 inch form feed, 65 lines per page

IBM® is a registered trademark of International Business Machines Corporation.
EPSON® is a registered trademark of Epson Inc.

SANDUR ELECTRONICS
(A division of The Sandur Manganese & Iron Ores Ltd.)
"Sandur House", 20, Palace Road, Bangalore - 560 052
• Phones : 267624, 267622. • Telex: 0854-2427 • Grams : SMIORE
Regd. Office: "Lohadri Bhavan", Yeshwantnagar-583 124

Prat:bha:BLR:SE.7089

Rs.140 prevailing in August 1990.

The company's reserves and surpluses will go up substantially with the second conversion that takes place in September 1990. However, the chances of a bonus issue are bleak, given the backward integration project under way.

Corn Products

Corn Products, on an annualised basis, has maintained its dividend at 14 per cent for the year ended March 1990. Although the company's total sales at Rs.18.60 crore is up by 38.7 per cent, the profit at net level has fallen by over 59 per cent to Rs.13,000. The increase in turnover was achieved with the introduction of new products — Rex More Please jams and Instapep ENER-G-TABS. Also the consumer product sales increased by 48.4 per cent.

However the introduction of these new products has had a significant impact on the marketing expenses of the company. In fact, the advertising and publicity expenses have moved up from Rs.88.75, incurred in the previous year (18 months), to Rs.133 lakh, for the period under review. The rising price of tapioca starch, increased the pressure further.

Meanwhile, the company is gearing itself to tap the capital market for funds, with a rights issue of convertible debenture, some time soon.



IN BRIEF

Gujarat Inject in technical collaboration with a US based firm is diversifying into the manufacture of speciality pharmaceuticals. This involves a total outlay of Rs.7.5 crore for which it will tap the capital market.

Amrutanjan has finalised its agreement with Unjha Formulation for making gelax and the Anchor brand of *isabgol*.

Harshvardhan Chemicals is setting up a sulphuric acid, oleum and chloro sulphonic acid project, to cost Rs. 12.85 crore. This will commence commercial production by April 1991.

Niraj Petrochem has entered into a technical collaboration with Lurgi GmbH of W. Germany for a 6000 tpa maleic anhydride project. The project, to cost Rs.25.75 crore, will be located at AP.

Hindustan Alloys has promoted a new company, Hindustan Industrial Chemicals, for the manufacture of 20,000 tonnes of zinc and 10,000 tonnes of hydrogen peroxide.

West Coast Paper has returned to the dividend list after a gap of three years. The company also proposes to issue shares on a rights basis in the ratio of 1:1 at a premium of Rs. 25 per share.

UB Petro has started marketing of polyol and propylene glycol. Both are import substitutes.

Bajaj Electricals has maintained dividend at 25 per cent on the expanded capital, after the issue of bonus shares.

Bharat Chemicals and Fertilisers is planning to set up a solvent extraction plant at Alwar. It is expected to go on stream by end 1991.

ABS Plastics has commissioned its expansion doubling the capacity to 10,000 tpa. Under the MES, the company will further increase its capacity to 20,000 tpa.

Bookwing Publications is implementing an expansion cum modernisation plan involving a capital outlay of Rs.3.76 crore. The company's total sales for 1989-90 is pegged at Rs.18.38 crore, an increase of 44 per cent.

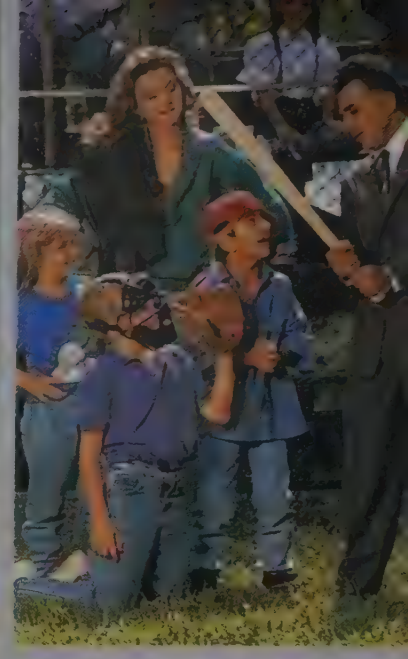
Indian Seamless Metal Tubes is expanding its tube manufacturing capacity to 50,000 tpa and that of its subsidiary — Indian Seamless Steels and Alloys — to 150,000 tonnes of steel rounds.

Western Hatcheries which went public in May 1989 has doubled its income on an annualised basis to Rs.5.66 crore for the year ended March 1990. It has declared a dividend of 25 per cent on an expanded capital of Rs.1.37 crore.

Yokogawa Keonics has bagged the GSFC order for supply of distributed control system for the caprolactam plant. The order is worth Rs. 7 crore.

Ruchi Soya's new plant of textured soya protein at Noida in UP has commenced production while the plant at Indore in MP has been commissioned.









ASTY • NUOVO LOOK • TREND SETTER • MATCH MAKER SATINS • HI FASHIONS SUITINGS

dinesh

THE CHOICE OF LEADING FASHION HOUSES. INTERNATIONAL

USIVE SHOWROOMS: **AHMEDABAD:** APURVA & CO. • **BARODA:** SHAHCO TRADERS • **SURAT:** SHRI DINESH TEXTILE TRADERS
ER: VARDHMAN • **BEAWAR:** G. NAVIN TEXTILES • **JAIPUR:** SHEEL SON • **JODHPUR:** JHANKAR SONS.

(BI/8)

Professional Circuit Boards

Professional Circuit Boards Ltd (PCBL), an existing profit making hi-tech electronics company, is going in for an expansion project. The company, promoted in 1986 by Yogesh Gupta, Jawaharlal Agarwal and Shyam B. Goenka, has Argos Electronics Ltd of the UK, as its collaborator.

The expansion envisages a four-fold increase in the company's installed capacity of printed circuit boards (PCBs) from the present 5,000 sq. metres per annum to 20,000 sq. metres a year. PCBL also plans to produce sophisticated multi-layered PCBs in India.

Argos is among the top five companies in the world manufacturing PCBs and is the only British PCB manufacturing company approved by the European Space Agency.

PCBL	
Issue opens	: 20 September 1990
Size of the issue	: Rs.1.92 crore
To Indian public	: Rs.1.53 crore
Instrument	: Equity shares of Rs.10 each for cash at par. Rs.5 per share payable on application and the balance on allotment
Promoter	: Professional Circuit Boards Limited
Technical collaborator	: Argos Electronics, UK
Project	: To increase the installed capacity of printed circuit boards
Cost of project	: Rs.2.65 crore
Plant location	: Sulurpet, Nellore dist, AP
Listing	: Ahmedabad, Bombay, Madras, New Delhi

PCBs are used in computers, telecommunications, instrumentation, process control and computer aided equipment. The value of PCBs purchased in India increased from Rs.80 crore in 1988 to Rs.95.7 crore in 1989, reducing imports from Rs.8 to Rs.4.9 crore. The projected demand of PCBs for 1992 is Rs.137.9 crore and for 1995, Rs.197.2 crore. Says Yogesh Gupta, PCBL's managing director, "PCBL plans to have a 100 per cent export oriented unit for circuit board exports and has a target of reaching a turnover of Rs.30 crore by 1995."

For the year ending March 1991, the company has projected a capacity utilisation of 40 per cent which would achieve sales of Rs.4.80 crore. Based on this, the net profit is placed at Rs.1.01 crore. The company is optimistic of paying a 20 per cent dividend in the first year itself.

Finolex Pipes

Finolex Pipes Ltd (FPL) was established in 1981 at Chinchwad in Pune, with a unit to manufacture rigid PVC pipes and fittings through the extrusion process.

For the year ended March 1990, FPL achieved a turnover of Rs.76 crore with a net profit of Rs.3.17 crore. The company's net worth stood at Rs.17.45 crore.

Currently, FPL is going in for the manufacture of PVC resin. This would mean backward integration for the company. According to company chairman P.P. Chhabria, 40 per cent of the PVC resin produced will be consumed by Finolex Pipes and Finolex Cables. This means that 40,000 tpa of PVC will be consumed by the group by 1993-94.

FPL plans to manufacture two different grades of PVC — paste and suspension. These two grades will be manufactured in India for the first time, and will be import substitution items.

The current demand for PVC is approximately 250,000 tonnes a year, while the total installed capacity is 150,000 tonnes. The major producers are IPCL (45,000 tonnes), NOCIL (25,000 tonnes), and Chemplast (15,000 tonnes). According to the D.V. Kapoor Committee on perspective planning for petrochemicals set up by the Planning Commission, the demand is projected to be around 485,000 tonnes by 1994-95. Against this, the installed capacity will be only 350,000 tonnes, including the capacities of the FPL and Reliance Petrochemicals ventures.

"The cash breakeven point for the Finolex PVC project is below 40 per cent and the plant is scheduled to go on stream by September 1992," says Chhabria.

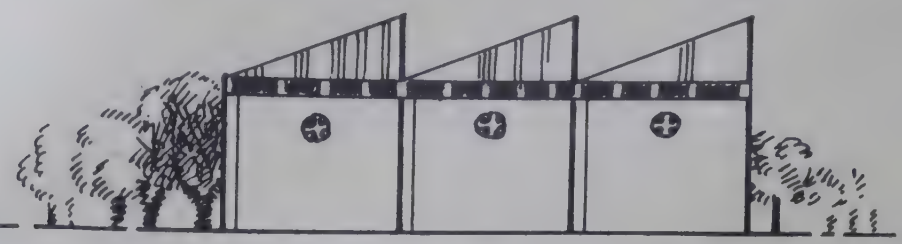
Finolex Pipes	
Issue opens	: 19 September 1990
Size of the issue	: Rs.160 crore
To Indian public	: Rs.59.50 crore
Instrument	: 14 per cent convertible debentures of Rs.150 each
Promoter	: P.P. Chhabria of Finolex Cables
Technical collaborator	: Udhe GmbH, West Germany – a wholly owned subsidiary of Hoechst
Project	: To manufacture 1 lakh tpa of Poly Vinyl Chloride (PVC) resin
Cost of project	: Rs.352 crore
Plant location	: Ranpan, Ratnagiri
Listing	: Pune, Bombay

Shriram Group

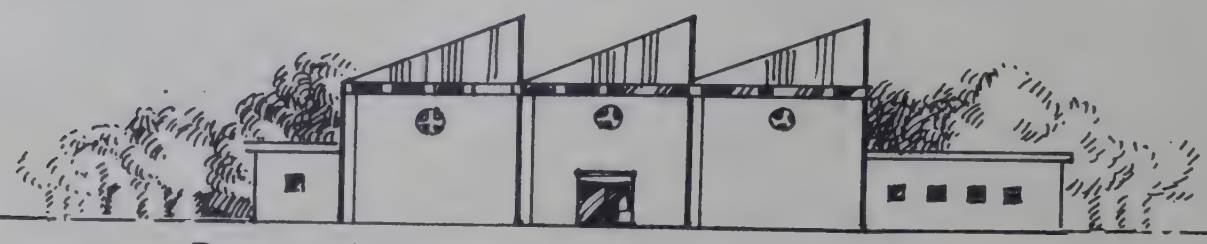
Shriram Investments Ltd (SIL) and Shriram Transport Finance Company Ltd (STFC) of the Madras based Shriram group are entering the capital market with a simultaneous issue of fully convertible debentures of Rs.7.5 crore and Rs.4.5 crore, respectively. Of the proposed issue, a sum of Rs.3.37 crore in SIL and Rs.1.98 crore in STFC are being offered on a rights issue to existing shareholders of the companies. Also, Rs.1.37 crore in SIL and Rs.82 lakh in STFC are reserved for preferential allotment to employees and financial institutions and mutual funds. The balance of Rs.2.75 crore in SIL and Rs.1.69 crore in STFC is being offered to the public. Both companies are relatively small: STFC had a total income of Rs.4.16 crore and SIL Rs.6.44 crore, for the year ended March 1990.

According to R. Thyagarajan, chairman of the Shriram group, while the returns are high, they are not protected in case of runaway inflation. What the Shriram group has attempted to do is put some money into assets of manufacturing companies as a hedge against inflation. The companies are engaged in hire purchase and financing of commercial vehicles.

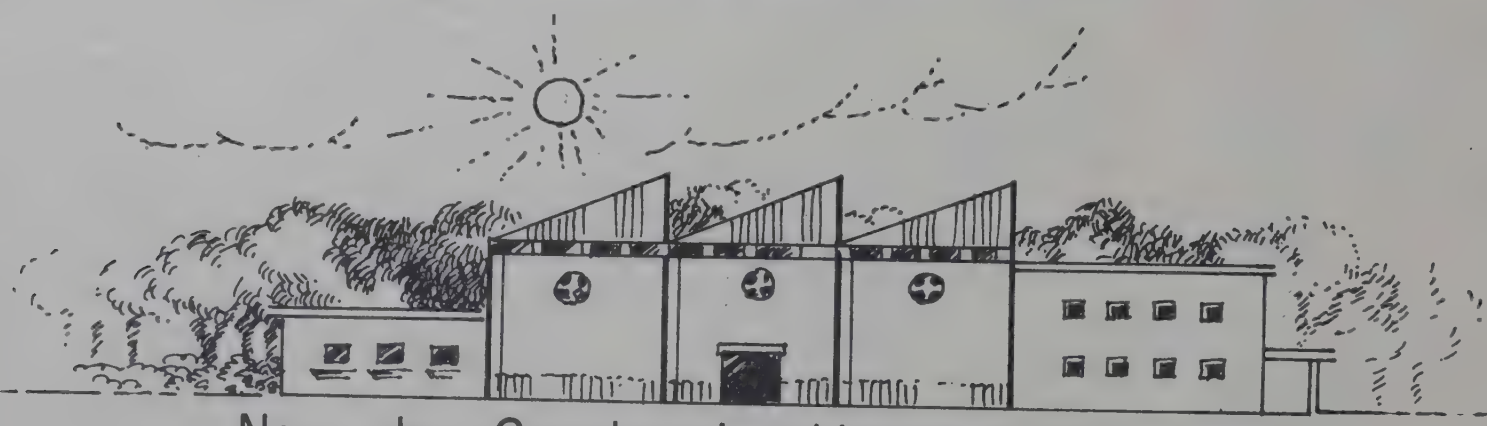
The share capital of both companies is small — Rs.1.32 crore and Rs.2.25 crore — and they have managed to pay dividends consistently over the last five years. The companies have jointly invested in ventures involved in auto components, textile rings, precision components and the extraction of edible oils. According to Thyagarajan, with investments in manufacturing, the two companies can offer the advantages of both manufacturing and finance companies. The companies' policy has been predominantly to remain in hire purchase financing, while continuing their operations in the transport sector. "Transport industry growth is consistent and vehicles are assets generating revenue on a continuous basis with almost zero gestation period," says Thyagarajan.



Grandpa set up the factory with a Praga Machine Tool . . .



Papa added many more machines . . .



Now when Grandson is taking over, the original
Praga Machine Tool is still going strong.

For 45 years, Praga Tools has been making machine tools that are bench marks for all other machine tools.

Because at Praga, no corners are cut . . . no compromises allowed on quality.

The Corporate philosophy being to provide the best value for money.

And our customers recognise this . . . That's why, time and again, they go in for Praga Machine Tools . . . resisting cheaper alternatives, knowing it pays to buy quality in the long run.

And Praga, in turn, has been innovating . . . new CNC Machines have been added to the range. . . in keeping with the Praga philosophy of providing the latest in Machine Tools.

Praga
Machine Tool

Quality so good. Keeps going for generations.

Praga Tools Ltd

(A Government of India Undertaking - A Subsidiary of HMT Limited)

6-6-8/32, Kavadiguda Road, Secunderabad - 500 380. Phone : 70121, 823579. Tlx : 0425-6202. Telegram : PRAGA Secunderabad.

Praga TOOLS LTD.

Praga Range: Cutter & Tool Grinders ● Surface Grinders ● Universal, Horizontal & Copy Milling Machine ● Thread Rolling Machine ● CNC Horizontal Machining Centres ● CNC Lathe ● CNC Milling Machine ● CNC Jig Boring Machine ● N C Co-Ordinate Table

TOCKMARKET REVIEW

Cementing the rise

For the period 27 August to 7 September, 990)

SE Sensitive Index rose by 38 points from 217.70 to 1255.70 (+ 3.12 per cent)
SE National Index rose by 28.30 points om 619.7 to 648 (+ 4.6 per cent)

espite the stringent trading restrictions nposed by BSE authorities, share indices ontinue to surge ahead. In a futile bid to ontain the speculative fervour, the au- norities thought it fit to clamp down on xcessive speculation by imposing a 40 per ent margin on all cash purchases and com- letely banning forward trading.

But bull operators responded to the BSE ction by pushing prices even higher. After n initial weak reaction to the trading urbs, prices continued to forge ahead as arge scale buying continued. The reasons or this surge in prices became clear. As vol- mes dropped, the jobbing spreads wid- ned. Persistent buying on higher jobbing nargins helped drive the index higher. The SE-30 Index gained 4.8 per cent, after the nnouncements of the curbs.

ood opportunity. In fact, when the index lid as an initial reaction to the curbs, bulls onsidered it to be a good opportunity to urchase shares. As prices dropped, scrip fter scrip started attracting buying nterest.

Cement shares have firmed up further n large scale buying. Analysts have been hurning out rosy profit forecasts for the ement industry for the current year end- ng March 1991. It is widely expected that hese shares will record still further gains, largely on the hopes of continued demand from the government and steady cement prices.

Fresh capacity currently being added is not keeping pace with the projected demand. This follows a record capacity creation, well in excess of prevailing demand, during the period after the partial decontrol of cement prices in 1982. Hopes of higher price realisation, as a result of decontrol, led to capacity build up by a score of new companies. Cement prices collapsed as a result. This, in turn, hit the cement companies (especially the new ones) very hard and many companies turned sick. This shakeout had the combined effect of curtailing cement production as well as scaring away any new investment in the sector.

But now cement companies are raking it in. The operation of a manufacturers' cartel has led to the price line being held firm even during the monsoon period — the slackest season for cement. The present ruling average prices of Rs.85-90 per bag far exceed the average price of Rs.64 per bag during 1989. Prices are expected to go up still higher as winter demand picks up. Government sector demand, which had dried up during the past couple of years, has increased. The ET index for cement shares over the year shows a rise of 585 per cent as against the overall rise of 68 per cent in the overall BSE-30 index.

Further boost. News that steel prices will be decontrolled gave the market a further boost. Tisco rallied from Rs.161 to a high of Rs.173 before closing at Rs.168. Mukand and Jindal also gained ground. Though the specifics of the steel policy continued to remain unknown, the market was in no mood for supposedly minor details.

In its present mood, share prices are divorced from economic fundamentals. Despite the political repercussions of the Mandal report, and the natural economic consequences of "rasta-rokos" and work stoppages in the Hindu belt, the market is doing its own thing. And the mutual funds, flush with money collected from small investors are willing to play pied piper.

Economic analysis has no role in this market and, anyone thinking of short-selling (not that you can as per the new BSE restrictions) should preferably, as one broker put it, jump off from the 26th floor of Jeejeebhoy Towers. It's a cheaper way to commit suicide.

The bulls are controlling the steering wheel, the mutual funds the engine, and even though Saddam has cut the gas, you may as well lie back and enjoy the ride as long as it lasts.

Performance of cement shares

Scrip	prices as on 27 Aug	7 Sept	change %
ACC	1390	1850	33
Andhra Cement	15	25	67
Mangalam Cement	55	71	29
Mysore Cements	55	72.50	32
Gujarat Ambuja	96	122.50	28
Modi Cement	17	25	47
Rassi Cements	45	70	56
BSE Index	1217.70	1255.70	3.12

Performance of steel shares

Scrip	prices as on 27 Aug	7 Sept	change %
Tisco	161	168	4.35
Mukand	161	185	15
G.M. Mittal	45	70	56
Ipitata	34	40	18
Bihar Sponge	17	24	41
Sun Flack	16.50	25	52
Orissa Sponge	65	65	—
Jindal Iron	87.50	120	37
BSE Index	1217.70	1255.70	3.12

THE BEST DECISIONS ARE ALWAYS THE BEST INFORMED ONES

Business India keeps you well informed and upto date

SUBSCRIBE NOW
and save 20%
on newsstand prices.

Business India
the magazine of the corporate world

I would like to subscribe to Business India for one year at Rs. 165/- ☐ two years at Rs. 325/- ☐ three years at Rs. 485/- ☐

Please send my copies to me at:

Name: _____

Address: _____

_____

(Rates are for India only).

My MICR Cheque ☐ Bank Draft ☐ M.O. ☐ P.O. ☐ for Rs._____ drawn in favour of Business India is enclosed. (+ Rs. 5/- for cheques not drawn on a Bombay bank).

Business India, Wadia Building, 17/19 Dalal Street, Fort, Bombay 400 001.

Company / Face value	Year Ended	Equity Rs Cr	Re-serves Rs Cr	Book value Rs	Price 7.9.90	52 weeks High	52 weeks Low	EPS in Rs Year	EPS in Rs Half-yr	PE Times	Divi-dend %	Yield %	Bonus Year	Bonus Ratio
A.P.SCOOTERS,10	07/87	9.94	-13.25	-3.33	9.00	10.00	3.00	-4.8			11.0	12.2		
ACC,100	03/90	55.95	90.70	262.11	1850.00	1850.00	258.00	31.7	15.6	58.4	15.0	0.8	86	1:5
AHM ELECTRIC,100	03/89	19.81	67.58	441.14	450.00	470.00	230.00	27.7	11.8	16.2	16.0	3.6	87	1:5
ALFA LAVAL,10	03/89	7.82	21.57	37.58	180.00	180.00	70.00	8.0	4.1	22.5	25.0	1.4	89	1:2
AMAL RASAYAN,10	03/90	3.19	11.36	45.61	55.00	88.75	42.00	0.2		275.0		3.8		
AMB SARABHAI,10	03/90	22.20	-1.10	9.50	20.50	22.25	14.00	0.3		68.3			82	1:5
AMFORGE,10	03/90	5.33	11.32	31.24	100.00	115.00	78.00	11.3	5.0	8.8	25.0	2.5		
ANDHRA CEMENT,10	03/89	18.78	-2.70	8.56	25.00	25.00	7.75	-15.4				11.8	67	1:2
ANDHRA VALLEY,100	03/89	10.51	49.73	573.17	1260.00	1300.00	310.00	126.5	108.4	10.0	18.0	1.4	75	1:9
ANDREW YULE,10	03/87	9.41	22.81	34.24	89.00	77.50	54.00	2.2		31.4	10.0	1.4	67	2:5
ANNAPURNA FOILS,10	03/89	9.05	0.00	10.00	18.00	18.00	6.50	-2.9	-3.2					
APOLLO HOSP,10	06/88	5.22	1.33	12.55	15.00	16.00	11.00	3.2	1.2	4.7	15.0	10.0		
APOLLO TYRES,10	10/89	8.40	14.19	26.89	92.50	121.25	41.50	18.3		5.1	25.0	2.7		
APPLE IND.,10	03/89	5.19	0.81	11.56	57.50	57.50	19.00	3.1	3.1	18.5	35.0	6.1		
ASEA BROWN,10	03/89	5.26	8.25	25.62	150.00	152.50	55.00	5.9	3.5	25.4	21.0	1.4		
ASHOK LEYLAND,10	03/90	31.72	100.64	41.73	117.50	120.00	70.00	5.8	3.6	20.3	31.5	2.7	78	1:2
ASIAN CABLES,10	03/89	5.59	7.32	23.09	47.50	47.50	28.00	5.8	2.4	8.2	12.0	2.5	81	1:3
ASIAN HOTELS,10	03/90	15.05	12.21	18.11	68.75	68.75	52.00	7.4	4.3	9.3	25.0	3.6		
ASIAN PAINTS,10	03/90	12.44	56.50	55.42	265.00	285.00	190.00	15.3	9.1	17.3	45.0	1.7	87	1:2
ASSAM CO,10	03/89	14.00	26.02	28.59	170.00	170.00	95.00	8.4	7.2	20.2	40.0	2.4	89	1:1
ASSAM FRONTIER,10	03/90	3.00	10.53	45.10	310.00	310.00	180.00	29.0	9.0	10.7	50.0	1.6		
ASTRA IDL,10	03/89	2.50	2.97	21.88	70.00	71.00	40.00	4.9	2.5	14.3	10.0	1.4		
ATLAS COPCO,10	03/89	7.26	7.95	20.95	58.00	62.00	33.00	0.8	-1.9	72.5	10.0	1.7	87	1:2
ATLAS CYCLE,10	03/89	1.15	13.93	131.13	100.00	105.00	70.00	12.8	2.4	7.8	15.0	1.5	87	1:2
AVERY INDIA,10	03/89	4.20	9.34	32.24	161.00	161.00	106.00	7.7		20.9	35.0	2.2	84	2:5
BAJAJ AUTO,10	03/90	18.81	261.22	148.87	700.00	700.00	301.25	34.6	19.5	20.2	110.0	1.6	87	1:1
BAJAJ PLASTIC,10	03/89	1.50	4.94	42.93	80.00	80.00	25.00	-10.9	-3.4				86	1:1
BAJAJ TEMPO,10	03/90	6.60	42.10	73.79	225.00	225.00	117.50	11.5	8.4	19.6	20.0	0.9	86	1:1
BAKELITE HYLAM,10	03/90	4.50	20.04	54.53	47.50	59.00	31.00	3.0		15.8	18.0	3.8	80	2:3
BALLARPUR,10	03/89	20.97	27.11	22.93	280.00	280.00	125.00	7.4	7.8	37.8	18.0	0.6	89	1:2
BARODA RAYON,100	03/90	17.97	51.55	386.87	1700.00	1750.00	625.00	132.5		12.8	25.0	1.5	90	1:2
BASF,10	03/90	4.26	16.88	49.62	210.00	210.00	130.00	12.7		16.5	20.0	1.0	90	1:2
BATA INDIA,10	12/89	10.50	17.18	26.36	95.00	95.00	60.00	5.4		17.6	15.0	1.6	87	1:1
BATLIBOI,10	03/89	2.79	3.93	24.09	50.00	50.00	16.00	5.4		9.3	15.0	3.0		
BAYER INDIA,100	03/90	16.22	17.65	208.82	900.00	900.00	725.00	32.8	9.4	27.4	20.0	2.2	87	1:1
BEST & CROM,10	03/89	7.10	17.80	35.07	47.50	58.75	28.50	1.6	-0.9	29.7	10.0	2.1	82	3:5
BHADRA PAPER,10	03/90	10.57	28.95	37.39	150.00	153.75	75.00	4.3	1.1	34.9	32.5	2.2		
BHARAT FORGE,10	03/90	14.24	20.80	24.61	170.00	170.00	72.50	4.1		41.5	30.0	1.8	88	1:1
BHARAT GEARS,10	01/89	4.03	5.50	23.65	58.00	62.00	21.00	-2.4	0.1			6.2		
BIHAR ALLOY,10	03/90	8.20	-10.01	-2.21	24.00	51.50	22.00	-2.1		13.1				
BIMETAL,10	03/90	3.82	12.13	41.75	137.50	142.50	75.00	7.5	4.8	18.3	27.5	2.0	89	1:1
BINDAL AGRO,10	12/88	14.85	8.50	15.72	80.00	118.75	37.50	5.1	4.6	15.7	50.0	6.2		
BIRLA JUTE,10	03/90	20.37	84.17	51.32	160.00	160.00	45.50	2.3		69.6	18.0	1.1	86	1:1
BIRLA YAMAHA,10	02/89	8.00	0.17	10.21	25.00	26.00	7.50	-4.8	-3.4					
BLOW PLAST,10	07/89	2.00	3.73	28.65	95.00	95.00	31.25	1.6		59.4	15.0	1.6	87	1:1
BLUE STAR,10	03/90	3.55	15.61	53.97	150.00	160.00	71.25	13.3	1.4	11.3	20.0	1.3	86	3:5
BOM BURMAH,100	03/90	5.52	19.47	452.72	1200.00	1200.00	430.00	88.2	38.9	13.6	30.0	2.5	78	1:4
BOM DYEING,10	03/90	11.24	88.18	88.45	395.00	395.00	122.50	19.6	8.9	20.2	40.0	1.0	90	1:1
BOM SUBURBAN,10	03/90	6.60	78.22	128.52	80.00	92.50	35.00	18.2	11.2	4.4	20.0	2.5	89	1:1
BOOTS,10	03/89	8.10	9.33	21.52	130.00	136.50	95.00	5.5	2.8	23.6	22.0	1.7	87	1:1
BOROSIL GLASS,10	03/90	2.24	8.71	48.88	60.00	74.00	52.50	5.9		10.2	25.0	4.2	82	1:2
BRITANNIA,10	03/90	18.57	33.30	27.93	160.00	160.00	75.87	5.3	2.7	30.2	24.0	1.5	89	1:2
BROOKE BOND,10	12/89	44.15	39.77	19.01	145.00	145.00	84.50	6.2		23.4	30.0	2.1	89	4:5
BURROUGHS,10	02/89	6.00	15.82	36.37	110.00	110.00	67.50	6.0	1.4	18.3	45.0	4.1	89	1:1
C.E.S.C .10	03/90	16.94	86.30	60.94	81.00	87.00	30.25	7.9	2.9	10.3	20.0	2.5		
C.P TOOLS,100	03/89	4.57	9.61	310.28	450.00	450.00	280.00	15.2	-5.6	29.6	15.0	3.3	77	1:3
CABLE CORP,10	03/90	9.00	26.23	39.14	105.00	117.50	61.00	11.0	3.4	9.5	28.0	2.7		
CADBURY,10	03/90	8.40	14.40	27.14	172.50	185.00	104.00	6.3	2.0	27.4	35.0	2.0	87	1:1
CALICO MILLS,125	06/89	13.56	-5.69	72.55	85.00	95.00	40.00	2.3		37.0			77	1:7
CARRIER AIRCON,10	03/89	10.42	-3.50	6.64	25.00	31.00	18.00	-2.8	-0.9					
CEAT TYRES,10	06/89	14.76	104.60	80.87	125.00	165.00	80.00	15.2	6.3	8.2	30.0	2.4	86	1:2
CEMINDIA,10	03/90	1.26	8.57	76.95	85.00	121.75	80.00	7.0	2.8	12.1	30.0	3.5	84	3:5
CENTURY ENKA,100	03/90	16.61	226.21	1461.89	4900.00	4900.00	2750.00	196.7		24.9	62.5	1.3	86	2:5
CENTURY SPIN,100	03/90	26.62	248.83	1034.75	4200.00	4325.00	2155.00	203.0		20.7	50.0	1.2	86	2:3
CHAMPAGNE,10	03/89	3.00	-1.46	5.13	28.00	28.00	13.00	-3.2						
CHLORIDE,10	03/90	20.65	16.51	18.00	115.00	115.00	82.00	6.7	4.2	17.2	31.5	2.7	86	3:5
CIFCO FINANCE,10	03/89	4.78	0.40	10.84	12.00	12.50	8.00	2.1	0.9	5.7	11.0	9.2		
CITURGIA,10	03/90	3.38	8.34	34.67	130.00	130.00	92.50	8.8		14.8	35.0	2.7		
COLGATE,10	12/89	31.44	25.32	18.05	317.50	320.00	172.50	8.0		39.7	42.5	1.3	89	1:1
COLOUR CHEM,100	03/90	7.94	13.96	275.82	850.00	850.00	485.00	30.0		28.3	22.0	2.6	80	2:5
COMET STEEL,10	03/90	9.65	4.49	14.65	25.00	25.00	17.75	4.1		6.1	17.0	6.8		
COROM FERT,10	09/89	24.32	24.79	20.19	72.50	80.00	21.50	-2.9	1.5			2.6	86	1:2
COSMO FILMS,10	03/89	2.39	7.45	41.17	37.50	42.00	24.00	-8.5	-2.6		18.0	4.8		
CROMPT GREA,100	03/90	19.20	74.09	485.89	1125.00	1125.00	637.50	80.9		13.9	18.0	1.6	89	1:1
CYANAMID,10	03/89	5.25	10.26	29.54	122.50	125.00	76.00	4.2	3.1	29.2	20.0	1.6		
DCM TOYOTA,10	03/90	15.00	-12.96	1.36	47.50	49.00	11.00	4.3	3.2	11.0				

Company / Face value	Year Ended	Equity Rs Cr	Re-serves Rs Cr	Book value Rs	Price 7.9.90	52 weeks High	52 weeks Low	EPS in Rs Year	EPS in Rs Half-yr	PE Times	Divi-dend %	Yield %	Bonus Year	Bonus Ratio
DCM,10	03/89	23.02	28.19	22.25	65.00	77.50	45.00	2.1	-2.2	31.0				
DEEPAK FERT,10	03/89	36.68	11.32	13.09	39.00	42.00	26.50	1.9	1.5	20.5	18.0	4.6		
DEEPAK NITR,10	03/90	2.43	9.23	47.98	135.00	135.00	63.00	14.3		9.4	30.0	2.2		
DEMPO STEAM,100	06/85	2.00	-9.83	-391.50	5.00	5.50	5.00							
DHARAMSI,10	03/90	6.24	15.76	35.26	88.75	90.00	37.00	10.0		8.9	25.0	2.8		
DR.REDDYS,10	03/90	2.08	1.36	16.54	75.00	75.00	48.00	3.1	1.6	24.2	25.0	3.3		
DUNCAN AGRO,100	03/89	3.05	18.23	697.70	2350.00	2350.00	246.79	28.9	82.6	81.3	15.0	0.6		
DUNLOP,10	03/90	18.99	68.77	46.21	80.00	80.00	53.00	2.3		34.8	30.0	3.8		
E. MERCK,10	12/89	5.94	6.65	21.20	87.50	90.00	26.00	5.2		16.8	25.0	2.9		
E.I.HOTELS,10	03/90	23.84	47.57	29.95	57.50	66.00	55.50	4.5	0.5	12.8	22.0	3.8		
EICHER MOTORS,10	03/90	9.98	-6.04	3.95	45.00	48.00	11.50	3.5	3.4	12.9		10.0		
EID PARRY,10	06/89	6.28	6.69	20.65	100.00	104.00	61.00	7.3		13.7	25.0	2.5		
ELECON ENG,10	03/90	5.65	27.25	58.23	70.00	85.00	60.00	1.8		38.9	12.0	1.7		
ENFIELD,10	03/89	5.04	9.15	28.15	26.00	26.00	10.50	-10.4						
ENGLISH ELECT,10	03/90	9.00	18.88	30.98	131.00	131.00	55.50	3.3		39.7	25.0	1.9		
ESCORTS,10	03/90	33.90	127.32	47.56	132.50	135.00	76.00	6.6	3.2	20.1	30.0	2.3		
ESKAYEF,10	03/90	7.50	26.57	45.43	190.00	191.25	111.25	10.4	4.5	18.3	30.0	1.6		
ESSAR SHIPPING,10	06/89	46.14	44.05	19.55	45.00	47.00	20.00	2.9	4.6	15.5	30.0	6.7		
EXCEL,10	03/90	4.62	18.89	50.89	355.00	367.50	136.00	20.0		17.8	50.0	1.4		
FAG PRECISION,100	03/90	3.36	8.71	359.23	127.50	127.50	51.00	13.8	6.3	9.2	18.0	14.1		
FERRO ALLOYS,10	03/90	8.42	36.76	536.58	72.50	127.00	62.50	15.9		4.6	25.0	34.5		
FGP,10	03/90	4.89	7.34	25.01	62.50	62.50	47.50	5.3	2.2	11.8	22.0	3.5		
FICOM ORGANIC,10	03/90	1.29	7.53	68.37	185.00	202.50	137.50	16.7	7.2	9.9	45.0	2.7		
FINOLEX,10	03/90	3.24	38.26	128.15	350.00	375.00	202.50	28.1	15.6	12.5	50.0	1.4		
FIRST LEASING,10	11/89	6.30	10.05	25.95	48.00	48.00	16.00	4.8		10.0	26.0	5.4		
FLAKT INDIA,10	12/88	4.76	4.08	18.57	85.00	85.00	29.50	4.0	3.2	21.2	20.0	2.4		
FORBES FORBES,10	03/90	4.25	21.83	61.36	66.25	71.25	46.25	5.0	2.0	13.2	20.0	3.0		
FULFORD,10	03/90	0.80	3.54	54.25	515.00	520.00	230.00	14.4		35.8	22.0	0.4		
G.E.SHIPPING,10	03/90	64.85	55.28	18.52	43.00	52.50	39.75	6.7	3.3	6.4	12.0	2.8		
G.K.W.,10	03/90	24.06	41.04	27.06	80.00	80.00	19.00	6.0	0.5	10.0	15.0	2.5		
G.T.C.INDUST,10	03/89	5.00	13.24	36.48	67.50	67.50	22.50	5.3	2.6	12.7	24.0	3.6		
GABRIEL,10	03/90	2.64	5.63	31.33	71.25	71.25	42.50	6.6		10.8	18.0	2.5		
GAMMON INDIA,10	03/89	2.16	13.46	72.31	130.00	135.00	80.00	5.8	4.2	22.4	18.0	1.4		
GARDEN SILK,10	06/89	16.24	84.67	62.14	55.00	80.00	37.50	3.6	1.4	15.3	30.0	5.5		
GARWARE NYLON,10	12/86	9.72	14.92	25.35	80.00	67.00	45.00	2.7	2.0	22.2	20.0	3.3		
GARWARE POLY,10	09/89	10.94	21.96	30.07	56.50	70.50	29.50	-6.4				4.1		
GARWARE SHIP,10	03/89	3.75	0.03	10.08	19.00	27.50	17.00	5.9	1.6	3.2	15.0	7.9		
GEN ELECTRIC,10	03/90	7.20	30.60	52.50	54.00	54.00	31.25	3.8		14.2	10.0	1.9		
GENELEC,10	03/89	2.16	-4.39	-10.32	41.00	41.00	19.00	-47.1			14.7	3.6		
GEORGE WILL,10	03/90	9.45	23.82	35.21	175.00	180.00	120.06	5.2		33.7	60.0	3.4		
GERMAN REME,10	03/90	3.26	8.87	37.21	236.75	290.00	68.50	13.3		18.0	20.0	0.8		
GLAXO,10	03/90	20.00	49.86	34.94	101.00	122.50	89.50	7.7	5.0	13.1	27.0	2.7		
GODFREY PHILIPS,10	03/90	2.60	3.80	24.62	150.00	155.00	36.75	11.0	6.9	13.6	35.0	2.3		
GOETZE,10	03/90	6.93	16.53	33.85	110.00	110.00	75.00	6.7	3.4	16.4	32.0	2.9		
GOKAK PATEL,10	03/90	6.52	25.96	49.82	180.00	180.00	67.50	13.7	8.1	13.1	32.0	1.8		
GOOD NEROLAC,10	03/89	3.24	5.08	25.68	100.00	140.00	47.50	2.5	1.8	40.0	22.0	2.2		
GOODYEAR,10	12/89	14.96	24.47	26.36	67.50	70.00	40.00	6.5		10.4	40.0	5.9		
GRAMOPHONE,10	03/89	4.37	11.43	36.16	20.00	20.00	8.50	-14.0						
GRASIM,10	03/90	80.20	168.10	37.92	210.00	210.00	101.00	9.2	4.8	22.8	30.0	1.4		
GREAVE COTTON,10	03/90	9.86	30.96	41.40	90.00	90.00	60.00	6.6	2.1	13.6	18.0	2.0		
GUJ ALKALIES,10	03/90	17.90	29.78	26.64	100.00	100.00	72.00	4.2	3.1	23.8	26.0	2.6		
GUJ AMB CEM,10	06/90	19.99	15.18	17.59	122.50	122.50	16.50	7.3	4.8	16.6	25.0	2.0		
GUJ NARMADA,10	03/89	88.99	103.47	21.63	54.00	54.00	30.75	3.4	1.6	15.9	10.0	1.9		
GUJ STATE FERT,10	03/90	44.41	335.70	85.59	260.00	260.00	157.50	11.6	6.2	22.4	30.0	1.2		
HARRISON,10	06/89	9.10	17.64	29.38	172.50	180.00	77.00	3.5	5.6	49.3	35.0	2.0		
HERDILLIA CHEM,10	03/90	7.35	46.79	73.66	110.00	115.00	82.50	10.0	4.3	11.0	26.0	2.4		
HERO HONDA,10	03/90	15.98	-2.76	8.27	80.00	80.00	16.00	-0.3	2.0					
HIND ALLOY,10	03/90	7.13	5.03	17.05	82.50	88.75	55.00	9.4	4.1	8.8	30.0	3.6		
HIND CIBA,100	03/90	17.71	40.07	326.26	1750.00	1800.00	860.00	92.7	39.5	18.9	30.0	1.7		
HIND DEVELOP,10	03/89	29.74	92.56	41.12	105.00	135.00	72.00	3.2	2.4	32.8	25.0	2.4		
HIND DORR-OLIVER,10	03/90	4.76	10.67	32.42	80.00	105.00	62.50	7.3		11.0	25.0	3.1		
HIND FERODO,10	03/89	5.50	1.89	13.44	26.00	28.00	17.00	1.4		18.6	5.0	1.9		
HIND LEVER,10	12/89	93.32	135.20	24.49	153.75	153.75	98.50	5.8		26.5	35.0	2.3		
HIND MOTOR,10	03/90	26.35	44.92	27.05	50.00	54.50	21.00	0.8		62.5	7.5	1.5		
HINDALCO,10	03/90	17.85	200.47	122.31	300.00	300.00	131.25	36.1	16.5	8.3	37.5	1.2		
HMM,10	03/90	14.18	93.90	76.22	360.00	360.00	185.00	12.4	5.3	29.0	40.0	1.1		
HOECHST,100	03/89	9.58	27.94	391.65	3300.00	3300.00	860.00	37.7	52.3	87.5	20.0	0.6		
HOGANAS,10	03/90	1.15	0.29	12.52	95.00	110.00	51.00	4.0	1.4	23.8	15.0	1.6		
HOTEL LEELA,10	03/90	18.57	-2.20	8.82	22.50	22.50	13.00	0.1	0.5	225.0				
HOUSING DEV FIN,100	03/89	19.98	64.98	425.23	410.00	475.00	275.00	96.8	46.4	4.2	14.0	3.4		
HYD ALLWYN,10	12/88	17.45	10.70	16.13	19.00	19.00	8.00	1.4	1.2	13.6	15.0	7.9		
I.O.L.,10	03/90	14.60	31.44	31.53	56.00	56.00	33.50	0.2		280.0	10.0	1.8		
ICI,10	03/89	40.87	84.19	30.60	65.00	67.50	35.00	1.2	-3.9	54.2	22.5	3.5		
ICIM,10	03/90	5.88	9.13	25.53	30.00	40.00	30.00	3.9		7.7				
INDIA CEMENT,10	03/90	4.90	48.98	109.98	130.00	130.00	15.00	5.9	7.0	22.0	15.0	1.2		
INDIA GYPSUM,10	03/89	9.00	-2.47	7.26	18.75	22.00	9.00	-2.7	-1.3					

pany / value	Year Ended	Equity Rs Cr	Re-serves Rs Cr	Book value Rs	Price 7.9.90	52 weeks High	52 weeks Low	EPS in Rs Year	EPS in Rs Half-yr	PE Times	Divi-dend %	Yield %	Bonus Year	Bonus Ratio
A POLYFIBRES.10	03/90	29.75	-2.73	9.08	17.00	22.00	5.00	-0.9	-2.3					
A STEAMSHIP.10	03/89	10.15	-65.15	-54.19	16.50	17.90	11.25	4.2	2.1	3.9			75	1:1
AN ALUM.10	03/90	41.50	49.09	21.83	227.50	227.50	120.00	14.1	7.0	16.1	25.0	1.1	77	2:5
AN DYESTUFF.100	03/90	9.41	38.71	511.37	640.00	640.00	180.00	44.4		14.4	14.0	2.2	80	1:4
AN HOTEL.10	03/90	14.79	51.27	44.67	100.00	100.00	82.50	7.8		12.8	25.0	2.5	89	1:2
AN ORGANIC.10	03/90	18.40	26.38	24.34	86.00	86.00	44.00	4.6		18.7	15.0	1.7	85	1:2
AN RAYON.10	06/90	25.40	202.97	89.91	161.25	161.25	82.50	7.8	4.0	20.7	30.0	1.9	80	1:4
AN SEAMLESS.10	03/90	3.86	2.36	16.11	137.50	137.50	85.71	4.7		29.3	25.0	1.8	89	3:4
GULF FERT.10	03/89	164.81	0.00	10.00	36.00	37.00	13.00	-0.7	-0.2					
IOL.10	03/90	6.16	29.12	57.27	267.50	295.00	172.50	9.8		27.3	27.0	1.0	90	3:5
NISSAN.10	03/89	14.00	1.21	10.86	18.00	18.00	11.25	0.7	0.5	25.7	15.0	8.3		
RSOLL.10	03/90	15.78	34.25	31.70	290.00	290.00	192.50	9.1	5.3	31.9	25.0	0.9	89	1:1
EXCHANGE.10	03/89	3.50	7.20	30.57	60.00	90.00	52.50	4.6	0.7	13.0	13.0	2.2	88	4:5
ATA.10	03/89	12.00	-15.79	-3.16	40.50	42.00	16.50	-4.4	1.4					
0	03/90	66.34	152.27	32.95	135.00	143.00	51.00	7.9		17.1	37.5	2.8	89	1:1
CHEMICAL.10	03/90	3.00	6.02	30.07	130.00	130.00	27.00	12.7	8.3	10.2	21.0	1.6		
NDUSTRIES.10	06/89	14.04	15.51	21.05	80.00	106.25	49.00	13.4		6.0	25.0	3.1	67	1:1
YNTHETIC.10	03/89	38.51	129.12	43.53	76.50	80.00	51.00	4.8	1.2	15.9	22.0	2.9	83	1:3
NT VITAMIN.10	06/89	3.87	5.11	23.20	41.00	45.00	26.00	8.0		5.1	25.0	6.1	87	2:5
YANI BRAKES.10	03/89	3.90	-4.84	-2.41	67.50	67.50	29.00	3.0	2.1	22.5				
YANI STEEL.10	03/90	2.36	11.41	58.35	650.00	650.00	220.00	19.7	7.2	33.0	75.0	1.2	90	1:1
VINATOR.10	06/89	3.55	25.48	81.77	135.00	135.00	74.36	18.2	9.7	7.4	24.0	1.8	89	1:1
ORAM.10	03/90	11.46	53.78	56.93	110.00	132.50	40.00	2.3		47.8	10.0	0.9	79	1:2
DAY DIST.10	12/88	9.00	8.88	19.87	37.50	37.50	25.00	4.7	2.8	8.0	20.0	5.3		
TIC ENGG.10	03/90	2.88	22.29	87.40	215.00	215.00	125.00	12.3	6.5	17.5	25.0	1.2	89	1:1
TIC HONDA.10	03/89	9.99	3.34	13.34	80.00	80.00	27.00	1.4	0.7	57.1				
CUMMINS.10	03/89	26.40	41.95	25.89	112.50	120.00	64.00	2.7	2.0	41.7	11.2	1.0	86	1:1
PNEUMATIC.10	03/89	3.85	11.28	39.30	77.50	77.50	40.00	10.8	1.2	7.2	22.5	2.9		
OSKAR OIL.10	03/90	5.75	13.16	32.89	61.25	61.25	29.00	5.2		11.8	16.0	2.6	76	3:7
CKNER WIND.10	03/90	4.50	12.31	37.36	320.00	320.00	129.00	13.1		24.4	24.0	0.8	90	1:1
PUMPS.10	03/90	8.70	12.25	24.08	235.00	235.00	180.00	7.3	4.6	32.2	20.0	0.9	89	1:1
ME.10	03/90	3.15	9.67	40.70	230.00	230.00	75.00	5.6	4.8	41.1	28.0	1.2	89	1:2
SEN TOUBRO.10	03/90	68.09	321.18	57.17	151.25	151.25	59.00	6.3	3.2	24.0	25.0	1.7	86	3:5
ON.10	12/89	15.75	22.14	24.06	95.00	109.00	74.00	6.6		14.4	22.0	2.3		
YD STEEL.10	03/90	5.07	-4.92	19.70	87.50	102.50	53.75	7.2		12.2	25.0	2.9	89	1:2
10	03/89	21.42	9.07	14.23	56.50	56.50	16.50	0.3	0.6	188.3			80	4:5
NEIL MAGOR.10	06/86	2.74	41.38	161.02	104.00	106.00	56.00	2.3		45.2	7.0	0.7		
RAS CEMENT.100	03/90	3.02	18.65	717.55	2900.00	2900.00	400.00	22.5	73.8	128.9				
URA COATS.10	03/89	21.96	92.32	52.04	190.00	190.00	99.00	6.9	2.4	27.5	25.0	1.3	86	1:2
ATLAL FINE.100	03/90	14.48	18.90	230.52	480.00	550.00	200.00	-33.1	6.6	47.1		3.1	80	1:3
ATLAL IND.100	03/90	13.45	51.38	482.01	880.00	950.00	260.00	22.7	19.1	38.8	22.0	2.5	78	1:5
IN & MAHIN.10	03/90	19.26	113.23	68.79	97.50	103.00	72.50	8.3		11.7	25.0	2.6	84	2:3
INDRA NISSAN	03/89	16.70	0.15	10.09	26.00	28.00	9.00	-2.2	-2.5					
INDRA UGINE.10	03/90	11.50	26.98	33.46	70.00	87.50	55.00	4.1		17.1	20.0	2.9	88	1:2
GALAM CEM.10	03/90	7.11	11.04	25.53	75.00	75.00	20.00	1.1	1.0	68.2	22.5	3.0		
GALORE CHEM.10	03/89	19.97	0.17	10.09	30.00	35.00	16.00	-16.3	-9.8			4.3		
TERSHARE.10	06/89	225.00	280.60	22.47	36.50	36.50	15.50	8.3		4.4	18.0	4.9		
HER PLATT.10	03/90	23.04	9.15	13.97	40.00	56.25	31.00	1.8		22.2	22.0	5.5	87	3:5
INDIA.10	03/90	2.79	6.17	32.11	75.00	79.00	67.50	5.5	2.0	13.6	30.0	4.0		
DA INDUST.10	11/89	4.32	2.64	16.11	9.00	12.50	7.50	-0.7				14.1		
OWELL.10	03/89	7.68	25.89	43.71	82.50	92.50	71.00	14.7	4.8	5.6	20.0	2.4	86	1:1
EOD RUSSEL.10	03/90	6.25	22.38	45.81	125.00	125.00	79.69	13.9		9.0	60.0	4.8	89	3:5
AL BOX.10	03/89	14.68	-12.54	1.46	13.75	13.75	6.50	-12.6	-4.4				67	1:2
ES INDIA.10	03/90	1.26	2.08	26.25	95.00	130.00	82.50	4.4	1.4	21.6	20.0	2.1	89	1:1
FOOD.10	03/89	1.14	4.49	49.39	170.00	312.50	130.00	13.4	-25.1	12.7	30.0	1.8	87	1:1
I INDUSTRIES.10	03/89	3.30	23.65	81.67	28.00	30.00	17.00	-52.6	-1.6			3.2	89	1:5
I RUBBER.10	03/89	10.38	52.50	60.58	85.00	89.00	47.00	14.2	-2.8	6.0	25.0	2.9	84	2:5
I XEROX.10	03/89	19.46	6.50	13.34	82.50	82.50	54.00	2.4	0.5	34.4	11.0	1.3		
OR INDUST.100	12/89	38.05	67.85	278.32	1250.00	1300.00	620.00	38.4	19.4	32.6	14.0	1.1	86	1:1
.10	03/90	3.86	55.04	152.59	390.00	390.00	185.00	32.4	19.2	12.0	60.0	1.5	75	1:2
LAND IRON.10	03/90	14.74	92.60	72.82	185.00	185.00	128.00	11.4	6.2	16.2	30.0	1.6	88	1:2
ORE CEMENT.10	06/87	18.22	22.61	22.41	52.50	52.50	11.00	1.1	1.2	47.7	17.5	3.3	85	2:5
AR FINANCE.10	03/89	2.44	3.76	25.41	15.00	24.00	12.50	5.4	3.2	2.8	35.0	23.3		
ION PEROXIDE.100	03/89	2.30	9.02	492.17	950.00	1175.00	675.00	-48.6	-17.8		6.0	0.6		
ONAL RADIO.100	03/90	6.98	3.75	153.72	625.00	700.00	190.00	14.0		44.6				
TLE.10	12/89	36.62	5.70	11.56	132.50	142.50	90.71	3.9		34.0	30.0	2.3	89	3:5
ON.10	03/89	15.76	-23.74	-5.06	32.00	34.00	10.75	-22.0	-9.1				82	1:2
L.100	03/90	36.00	109.85	405.14	1800.00	1850.00	1055.00	117.3	55.5	15.3	40.0	2.2	86	1:2
SSA CEMENT.10	03/89	5.40	31.50	68.33	120.00	120.00	32.00	-14.3	0.5		20.0	1.7	87	1:1
AY.10	03/90	66.29	51.65	17.79	37.75	39.00	13.50	0.2		188.8		17.5		
AL AGRO.10	06/89	96.72	81.67	18.44	60.00	85.00	32.00	2.8	2.1	21.4	50.0	8.3	87	3:5
AL FURANE.10	12/88	18.00	0.00	10.00	30.00	41.00	21.50	0.3		100.0				
ELEVATORS.10	03/90	5.37	20.34	47.88	230.00	280.00	175.00	7.5	3.5	30.7	25.0	1.1	86	1:1
KE DAVIS.10	03/90	7.53	4.08	15.42	122.50	133.25	71.50	3.7		33.1	35.0	2.9	90	3:5
C.10	03/90	33.32	40.09	22.03	62.50	71.00	21.00	2.0		31.2	10.0	1.6	82	1:5
ER.10	03/90	11.72	16.91	24.43	82.50	107.50	64.50	2.3		35.9	20.0	2.4	77	4:5

Company / Face value	Year Ended	Equity Rs Cr	Re-serves Rs Cr	Book value Rs	Price 7.9.90	52 weeks High	52 weeks Low	EPS in Rs Year	EPS in Rs Half-yr	PE Times	Divi-dend %	Yield %	Bonus Year	Bonus Ratio
POLYCHEM.10	03/90	6.00	17.30	38.83	120.00	122.50	58.40	11.5	6.8	10.4	25.0	2.1	80	1:2
POLYOLEFINS.100	03/90	19.30	56.49	392.89	1450.00	1485.00	1050.00	94.0	49.2	15.4	35.0	2.4	88	1:2
PONDS.10	12/89	6.88	18.78	38.91	187.50	188.75	109.22	9.1		20.6	37.5	2.0	80	1:2
PREMIER AUTO.10	08/89	22.75	112.26	59.35	67.00	79.00	56.00	6.4	1.8	10.5	45.0	6.7	86	1:1
PROCTER & GAM.10	06/89	6.68	11.68	27.49	340.00	340.00	182.50	9.4	5.3	36.2	30.0	0.9	88	4:5
PSI DATA.10	03/89	6.50	5.27	1.89	23.75	27.50	11.50	-13.1				11.0		
RALLIS.10	03/89	9.52	33.44	45.13	90.00	105.00	65.00	8.7	3.1	10.3	25.0	2.8	77	3:1
RANBAXY.10	03/90	8.95	16.22	28.12	122.50	122.50	85.00	8.4	5.0	14.6	27.5	2.2	88	2:5
RAYMONDS.10	03/90	22.47	80.46	45.81	109.00	114.00	65.00	8.1	2.0	13.5	20.0	1.8	87	1:1
RECKITT COLMAN.10	12/89	8.40	22.44	36.71	250.00	250.00	185.00	9.5	4.8	26.3	40.0	1.6	88	1:1
REGENCY CERAMIC.10	03/89	5.61	0.25	10.45	22.00	22.50	15.00	0.9	0.7	24.4				
RELIANCE PETRO	03/89	86.47	0.48	10.06	40.00	47.00	20.50	0.6		66.7	18.0	4.5		
RELIANCE.10	03/90	152.11	958.12	72.99	157.00	177.00	51.50	5.9		26.6	30.0	1.9	83	3:5
REMINGTON.10	03/90	2.67	4.34	26.25	40.00	75.00	35.00	3.3	1.8	12.1	20.0	5.0	86	1:2
REVATHI C.P.10	03/90	1.60	4.29	36.81	90.00	100.00	67.50	5.8		15.5	20.0	2.2	87	1:1
RHONE-POULENC.10	03/90	4.50	14.22	41.80	118.75	118.75	63.75	9.8		12.1	15.0	1.3		
ROCHE PRODUCTS.10	12/88	4.81	6.23	22.95	65.00	89.00	27.00	3.3	1.9	19.7	15.0	2.3	80	1:3
ROSS MURARKA.10	12/88	4.64	3.29	17.09	26.25	26.25	14.50	3.1	1.5	8.5	18.0	6.9		
S.I.VISCOSE.100	03/90	11.03	38.51	449.14	2625.00	2625.00	875.00	202.0	120.6	13.0	45.0	1.7	87	1:2
SAMTEL INDIA.10	03/90	3.57	8.07	32.61	36.00	70.00	23.50	-8.4	-2.7	3.5		7.8	86	1:3
SANDOZ.10	12/89	5.30	24.68	56.57	158.75	177.50	115.00	11.2		14.2	18.0	1.1	90	1:2
SANDVIK ASIA.100	12/89	5.78	7.54	230.45	1050.00	1050.00	610.00	43.9		23.9	25.0	2.4	84	1:1
SCINDIA.20	06/88	18.95	-40.86	-23.12	10.25	16.00	7.25	-23.6					77	2:5
SEARLE.10	03/90	7.82	10.93	23.98	147.50	147.50	105.00	5.3		27.8	20.0	1.4	88	1:2
SESA GOA.10	03/90	5.15	12.25	33.79	127.50	132.50	47.50	6.7	9.5	19.0	18.0	1.4	86	2:5
SHAW WALLACE.10	03/90	12.00	37.90	41.58	111.00	118.00	69.00	12.7	6.4	8.7	42.5	3.8	87	1:1
SHRIRAM FIBRES.10	09/89	10.33	22.69	31.97	65.00	73.50	42.50	4.2		15.5	18.0	2.8	82	1:2
SIEMENS.10	03/90	20.77	61.17	39.45	132.50	134.00	70.00	4.4		30.1	30.0	2.3	86	1:4
SILTAP CHEMICAL.10	03/89	1.80	-0.76	5.78	90.00	92.50	42.50	-8.5	-3.4					
SIPTA COATED.10	03/90	17.59	12.40	17.05	22.00	30.00	14.00	1.4		15.7	15.0	6.8		
SKF BEARINGS.100	03/90	24.70	52.45	312.35	2350.00	2450.00	1230.00	84.0		28.0	15.0	0.6	89	1:1
SOUTHERN PETRO.10	03/90	34.00	292.60	96.06	73.75	75.00	43.50	6.8	5.5	10.8	16.0	2.2	86	1:1
SPARTEK.10	03/89	4.56	5.91	22.96	75.00	75.62	60.00	6.2	3.8	12.1	25.0	3.3	89	3:5
SPECIAL STEEL.10	03/90	11.39	14.36	22.61	190.00	190.00	91.25	10.4	5.2	18.3	25.0	1.3	89	1:2
STANDARD IND.10	03/90	11.06	36.78	43.25	107.50	115.00	36.50	1.2	1.7	89.6	20.0	1.9	82	2:5
STANDARD MOTOR.10	03/88	4.37	3.98	19.11	16.50	16.50	9.50	-18.1				15.8	85	1:1
STRAW PRODUCTS.10	03/90	10.14	77.87	86.79	142.50	142.50	74.00	7.2	4.5	19.8	30.0	2.1	72	1:2
SU-RAJ DIAMOND.10	03/90	7.66	9.72	22.69	54.00	75.00	46.00	14.2	9.4	3.8	25.0	4.6		
SUND CLAYTON.10	05/89	9.48	23.99	35.31	57.50	73.00	42.00	4.9	1.1	11.7	25.0	4.3	87	2:3
SUND FASTENERS.10	03/90	5.10	13.30	36.08	115.00	115.00	70.00	9.3	4.6	12.4	27.5	2.4	88	3:5
SUND FINANCE.10	03/90	6.00	23.62	49.37	107.00	107.00	80.00	15.3		7.0	30.0	2.8	90	1:1
SUPREME INDUST.10	06/89	2.27	13.47	69.34	340.00	340.00	200.00	14.4	9.7	23.6	45.0	1.3	87	1:1
SWAD POLYTEX.10	03/90	3.90	11.77	40.18	61.25	61.25	34.00	4.6	1.3	13.3	17.5	2.9		
SYNTH & CHEM.10	03/90	11.42	9.75	18.54	65.00	80.00	49.00	4.3	0.9	15.1	25.0	3.8		
TATA CHEMICALS.10	03/90	73.76	210.39	38.52	117.00	117.00	77.04	5.5	2.2	21.3	30.0	2.6	89	1:2
TATA LOCO.10	03/90	103.67	378.70	46.53	232.50	237.50	99.12	9.9	9.0	23.5	30.0	1.3	82	2:5
TATA OIL.25	03/90	8.11	25.19	102.65	300.00	300.00	66.25	16.5		18.2	20.0	1.7	90	1:5
TATA POWER.100	03/90	21.22	76.04	458.34	1675.00	1675.00	332.50	56.9	60.8	29.4	20.0	1.2	75	1:5
TATA PRESS.10	03/90	1.57	5.62	45.80	67.50	72.50	55.00	-3.6		10.9	10.0	1.5		
TATA STEEL.10	03/90	229.43	1103.11	58.08	168.00	168.50	103.25	6.5	2.9	25.8	30.0	1.8	86	2:5
TATA TEA.10	03/90	17.10	109.99	74.32	367.50	367.50	174.00	24.3	12.1	15.1	60.0	1.6	88	3:5
TATA UNISYS.10	03/90	4.38	8.76	30.00	150.00	160.00	67.50	11.8		12.7	30.0	2.0	87	2:5
TEXMACO.10	03/90	1.87	11.06	89.14	64.50	84.00	33.00	-67.0						
TINPLATE.10	03/90	10.14	12.18	21.99	45.00	45.00	27.50	2.5		18.0	15.0	3.3		
TUBE INVESTMENT.10	03/90	6.71	28.62	52.65	71.50	74.50	63.00	6.7	3.1	10.7	24.0	3.4	85	1:3
TUTICO ALKALIES.10	03/89	12.94	-2.63	7.97	16.00	19.00	12.00	0.9	-0.8	17.8		44.4		
TVS SUZUKI.10	03/89	23.10	-5.50	7.62	26.00	26.00	11.00	1.3		20.0				
TWENT CENT.10	03/90	8.88	12.44	24.01	40.00	40.00	21.00	4.5		8.9	22.0	5.5	86	2:5
U.B.LTD.10	06/88	4.00	9.53	33.82	68.50	76.25	37.00	7.1		9.6	20.0	2.9	86	1:1
UNION CARBIDE.10	03/89	32.58	38.04	21.68	43.00	45.50	21.00	1.4		30.7		5.3	80	1:2
UNIT PHOSPHORUS.10	12/87	2.80	2.66	19.50	95.00	95.00	40.00	0.4	-1.1	237.5	10.0	1.1		
UPCOM CABLES.10	03/89	5.92	1.88	13.18	27.00	53.00	17.50	4.3	-0.8	6.3	20.0	7.4		
VAM ORGANIC.10	03/90	5.16	20.35	49.44	195.00	195.00	120.00	15.7	8.7	12.4	35.0	1.8		
VIDEOCON INT.10	03/90	4.23	6.91	26.34	342.50	342.50	110.00	66.2	49.7	5.2	40.0	1.2		
VINDHYA TELE.10	03/90	3.90	20.90	63.59	110.00	130.00	77.50	8.0		13.8	22.5	2.0		
VOLTAS.100	03/90	19.85	61.98	412.24	140.00	140.00	56.70	9.2	5.8	15.2	24.0	17.1	89	1:2
VST INDUSTRIES.10	03/90	9.65	16.71	27.32	110.00	115.00	45.00	6.1	2.8	18.0	30.0	2.7	89	3:5
WALNAGAR.100	09/88	3.00	2.46	182.00	25.00	27.50	16.00	2.0		12.5			82	1:2
WARREN TEA.10	03/90	3.90	11.49	39.46	155.00	165.00	58.75	20.9	4.0	7.4	70.0	4.5	89	1:1
WIMCO.10	03/89	13.58	5.34	13.93	40.00	44.00	15.75	-9.7	-2.8				70	1:5
ZF STEERING.10	03/89	2.25	1.02	14.53	72.50	72.50	43.00	2.6	1.1	27.9	10.0	1.4		
ZENITH.10	12/88	9.15	17.20	28.80	47.00	61.00	36.00	5.2	3.1	9.0	30.0	6.4	87	1:4
ZUARI.10	03/89	12.43	57.09	55.93	90.00	95.00	55.00	4.8	2.3	18.8	35.0	3.9		

Note: EPS: This represents the earnings after tax for the full year divided by the number of shares outstanding. EPS half year: after tax earnings per shares for six months taking into account announced half yearly profits. PE: ratio of market price to after tax per share. Yield: dividend as a percentage of market price

Newport University
CALIFORNIA U.S.A.

NOW ! EARN
California State Approved American M.B.A. & M.S. - Engg. (Computer Science/ Computer Applications) DEGREES directly from INDIA !

- Institutionally fully approved under code 94310.2 of the California State Educational Department.
- Globally accepted with study centres in U.K., Switzerland, The Netherlands, Germany, Israel, Japan, Spain, Hongkong, Indonesia, South Africa, Nigeria and India.
- Final assessment and awarding of degrees done directly by Newport University, California (U.S.A).
- Newport University Degrees valued highly by Private Sectors - Over 60% of candidates for these courses sponsored/ recommended/nominated by many Indian blue chip companies.
- Most economic and highly practical for executives and computer personnel with drive. And fresh graduates with initiative to earn a prestigious International Master's Degree and boost their career prospects without leaving the country !

NOTE : Though Newport University is not accredited or recognised by the Govt. of India, its degrees are highly valued by the Private Sectors.

LIMITED SEATS!
Contact study centres mentioned below for prospectus and application forms:

BANGALORE
AMC
ADMINISTRATIVE MANAGEMENT COLLEGE
30th cross, IV Block, Jayanagar, Bangalore 560 011. Tel: 600217

MADRAS
KARNATAKA SANGHA
36, Habibullah Road, T. Nagar, Madras 600 017. Tel: 866 252

FOR CORRESPONDENCE/ HOME STUDY
TASMAC
TRAINING AND ADVANCED STUDIES IN MANAGEMENT AND COMMUNICATIONS
136,Famous Building, Dr. E. Moses Road, Mahalaxmi,. Bombay 400 011.
Tel: 4926370.

DEPOSITS

Company fixed deposits (current for October 1990)

Name of the company	Minimum Amount	Rate of interest % 1 year	2 year	3 year
ACC	3000	11.5	12.5	14.00
AEGIS CHEMICALS	2000	14.00	14.00	14.00
ASHOK LEYLAND	2000	-	13.75	14.00
AMAL RASAYAN	3000	13.00	13.50	14.00
AMFORGE INDIA	3000	13.00	14.00	14.00
ALL SEASONS	3000	-	13.00	14.00
ARLABS LTD	2000	14.00	14.00	14.00
BAJAJ HIND	1000	-	13.00	14.00
BLUE BLENDS	3000	-	13.00	14.00
BOROSIL GLASS	3000	-	13.00	14.00
BOMBAY DYEING	3000	9.50	13.00	14.00
BAJAJ AUTO	5000	-	-	14.00
BSES	5000	2.00	13.00	14.00
BROOKE BOND	5000	-	-	14.00
BLOW PLAST	2000	-	14.00	14.00
BHARAT GEARS	2000	14.00	14.00	14.00
BLUE STAR	3000	11.00	13.00	14.00
BAJAJ PLASTICS	2000	14.00	14.00	14.00
20TH CENTURY	1000	13.00	13.50	14.00
CEAT TYRES	3000	-	12.50	14.00
CAMPHOR ALLIED	2500	13.50	13.50	14.00
CARBONANDUM	3000	-	13.50	14.00
CAPRIHANS	3000	-	14.00	14.00
CHEM &PLASTICS	2000	-	-	14.00
COLOURCHEM	3000	10.50	13.00	14.00
COSMO FILMS	3000	14.00	14.00	14.00
CAMLIN LTD	3000	-	-	14.00
DCW LTD	3000	12.50	13.50	14.00
DUNLOP INDIA	3000	-	-	14.00
ESSAR SHIPPING	3000	-	13.00	14.00
E.MERCK INDIA	3000	-	-	14.00
E.I. HOTELS	1000	-	-	14.00
FGP	3000	12.00	13.00	14.00
GUJ FILAMENTS	1000	14.00	14.00	14.00
GUJ AMBUJA CEM	3000	-	13.50	14.00
GUJ LYKA	2000	-	14.00	14.00
GARWARE SHIPPING	2000	14.00	14.00	14.00
GUJ NARMADA CORP	3000	-	12.50	14.00
HOECHST	5000	-	-	14.00
HIND SUGAR	2000	-	13.00	14.00
HIND ALLOYS	3000	13.00	13.50	14.00
HERDILLIA CHEM	5000	-	-	14.00
INDROL LUBRICAB	5000	-	-	14.00
ITC	5000	-	-	14.00
INDIA CEMENTS	3000	13.00	14.00	14.00
INDIAN PLYWOOD	1000	13.50	14.00	14.00
INCAB	2000	13.00	13.50	14.00
IVP	3000	-	14.00	14.00
INTEGRATED FIN	1000	-	14.00	14.00
INDIAPHOTO COM	3000	-	-	14.00
INDIAN ALUM.	3000	-	-	14.00
JKSYNTHETICS	3000	14.00	14.00	14.00
JAYANT PAPER	3000	-	-	14.00
KREST LEAS.	3000	-	14.00	14.00
KINETIC ENGG	3000	-	13.00	14.00
KELVINATOR	2000	12.50	13.50	14.00
KIRLOSKAR PNEU.	3000	13.00	13.50	14.00
KIRLOSKAR COM.	3000	12.00	13.00	14.00
KLOCKER WINDSOR	1000	13.50	14.00	14.00
L&T	3000	11.00	12.50	14.00
LLOYDS STEEL	3000	-	14.00	14.00
MUKAND	3000	11.00	12.50	14.00
MAHIN &MAHIN	2000	11.00	13.00	14.00
MODI XEROX	2000	13.50	14.00	14.00
MCLEOD RUSSEL	4000	-	13.00	14.00
MYSORE PETRO	1000	13.00	13.50	14.00
MEHER PHARMA	2000	-	14.00	14.00
MATUEM REA	4000	13.00	13.00	14.00
NAGARJUNA STEEL	2000	14.00	14.00	14.00
NAGARJUNA FIN	2000	14.00	14.00	14.00
NELCO LTD	2000	-	-	14.00
POLYCHEM	2000	13.00	13.50	14.00
PRAKASH PIPES	2000	14.00	14.00	14.00
PREMIER AUTO	1000	13.00	14.00	14.00
PUDUMJEE PULP	3000	12.50	13.00	14.00
RANBAXY	5000	13.00	14.00	14.00
RELIANCE	5000	-	-	14.00
RATHI ALLOYS	3000	14.00	14.00	14.00
REVATHI C.P.	1000	13.00	13.50	14.00
SAE	3000	13.50	14.00	14.00
SOUTH INDIA VIS	3000	14.00	14.00	14.00
SESA GOA	2000	13.00	13.50	13.00
SHAW WALLACE	3000	-	13.00	14.00
STRAW PRODUCTS	3000	13.00	13.50	14.00
SRIRAM FIBRES	2000	-	13.50	14.00
SUPREME IND	3000	13.50	14.00	14.00
STEELAGE INDIA	3000	-	-	14.00
SHREE SYNTHETICS	2000	12.50	13.50	14.00
TCI	2000	14.00	14.00	14.00
THAPAR AGRO	1000	14.00	14.00	14.00
TATA FINANCE	5000	-	-	14.00
TATA CHEMICALS	1000	-	-	14.00
UNITED CARBON	2000	-	14.00	14.00
UNICHEM LTD	1000	11.50	12.50	14.00
VARELI TEXT	3000	12.00	13.00	14.00
VAZIR GLASS	2000	—	13.00	14.00
VIP INDUS	2000	14.00	14.00	14.00
WESTERN INDIA	2000	14.00	14.00	14.00
WS INDUS	2000	13.50	14.00	14.00
ZUARI AGRO	2000	12.50	13.00	14.00

Cumulative deposit scheme (current for October1990)

Name of the company	Minimum Deposit	Maturity amount	Period (years)	An co po rat inte (%
ACC	3000	4503	3	14
ASEA	3000	4533	3	14
APOLLO TYRES	3000	4555	3	14
ARUNA SUGARS	2000	3030	3	14
AEGIS CHEMICALS	2000	3044	3	14
ASHOK LEYLAND	2000	3025	3	14
AMFORGE INDIA	3000	4533	3	14
BIHAR SPONGE	2000	3036	3	14
BEST & CROMPTON	3000	4554	3	14
BERGER PAINTS	3000	4533	3	14
BATA	3000	4503	3	14
BAKELITE HYLAM	2000	3030	3	14
BLUE BLENDS	3000	4533	3	14
BAJAJ AUTO	5000	7505	3	14
BENETT COLEMAN	3000	4533	3	14
BROOKEBOND IND	5000	7505	3	14
BHADRACHALAM P.	3000	4554	3	14
20TH CENTURY	1000	1516	3	14
CAPRIHANS	3000	4553	3	14
CARBORUNDRUM	2000	3020	3	14
DCW LTD	3000	4533	3	14
DUNLOP	3000	4533	3	14
DUNCANS AGRO	2000	3036	3	14
EMPIRE FIN	1000	1522	3	15
ESCORTS	3000	4500	3	14
ESSAR SHIPPING	3000	4533	3	14
FIRST LEASING	1000	1518	3	14
GAMMON IND	3000	4555	3	14
GUJARAT FIL	1000	1512	3	14
GTC IND	3000	4533	3	14
GKW	2000	3036	3	14
HIND CONST	3000	4533	3	14
HIND ALLOYS	3000	4533	3	14
HIND RECT	3000	4566	3	14
IVP	5000	7555	3	14
ITC	5000	7555	3	14
INDIA CEMENT	3000	4542	3	14
ICI LTD	4000	6044	3	14
JAYANT VITAMINS	3000	4503	3	14
J.K. SYNTHETICS	3000	4500	3	14
J.K. INDUSTRIES	2000	3022	3	14
KANORIA CHEM	3000	4533	3	14
KOTHARI SUGARS	1000	1518	3	14
KREST DEVELOP.	1000	1518	3	14
KELVINATOR	2000	3000	3	-
KIRLOSKAR INV	2000	3036	3	14
LUPIN LABS	4000	6072	3	14
L&T	3000	4468	3	14
MGF (INDIA)	2000	3036	3	14
MODI XEROX	2000	3036	3	14
MCLEOD RUSS	4000	6044	3	14
MODERN THREADS	2000	3036	3	14
MODERN SYNTEX	1000	1511	3	14
NAGARJUNJA STEEL	2000	3036	3	14
NAGARJUNJA FIL	2000	3036	3	14
NAMDANG TEA	4000	6044	3	14
PARAS SYNTH	3000	4560	3	14
PEICO	3000	4502	3	14
PRECISION FAST	2000	3022	3	14
PADAMJEE PULP	3000	4533	3	14
PREMIER AUTO	3000	4554	3	14
PREMIER CONST.	3000	4533	3	14
PL FIN& INV	1000	1518	3	14
POYSHA IND	4000	6072	3	13
RAPICUT CARB	2000	3036	3	14
RANBAXY	5000	7555	3	14
RATHI ALLOYS	2000	3040	3	14
RELIANCE	5000	7550	3	14
REGENCY CERAMICS	3000	4533	3	14
SAKTHI FINANCE	5000	1518	3	15
SOUTH VISCOSE	3000	4533	3	14
SAIL	2000	2950	3	14
SHRIRAM FIBRES	2000	3022	3	14
STRAW PRODUCTS	3000	4533	3	14
SESA GOA	3000	4553	3	14
SAE	3000	4555	3	14
THAPAR AGRO	3000	4533	3	14
TATA TELECOM	5000	7504	3	14
TATA CHEMICALS	5000	7500	3	14
UPCOM CABLES	3000	4533	3	14
UNIPLAS	3000	4555	3	14
USHA ALLOYS	3000	4554	3	14
UPTRON	3000	4553	3	14
VARELI TEXT	1000	4535	3	14
VIP IND	2000	3022	3	14
WESTERN HATCHER	2000	3036	3	14
WESTERN INDIA	1000	1518	3	14
WS INDUS	2000	3022	3	14
WIPRO LIMITED	4000	6003	3	14
ZUARI AGRO	2000	3037	3	14

Note: The above list is a selection of companies which accep deposits from their shareholders or from the public. Public lim ited companies offer lower rates than many sound private lim ited companies or partnership firms. Readers are advised to take suitable professional advice.

If you think you're staying at the Holiday Inn, Hong Kong, you're thinking half a continent too far.



Holiday Inn, Bombay, offers you the same international facilities as any Holiday Inn worldwide.

You'll find the King Leisure rooms at the Holiday Inn, Bombay, fully as luxurious as Holiday Inn, Hong Kong.

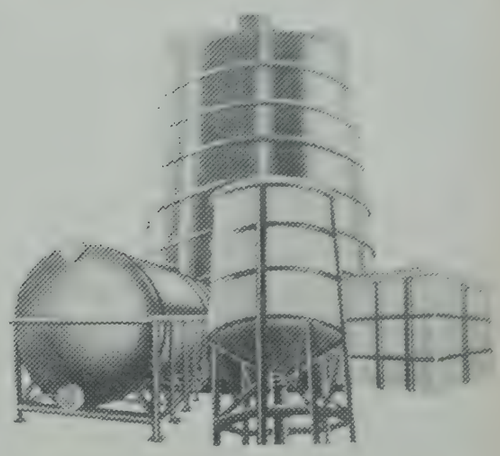
We offer fine dining, superior accommodation, conference facilities, inimitable service, and of course, the value for money you've come to expect from any Holiday Inn worldwide...

All the more reasons to choose us firs:

Holiday Inn
Bombay
The World's First Choice

or information and reservation, please contact: BOMBAY: Holiday Inn, alraj Sahani Marg, Juhu Beach, Bombay 400 049. Tel: 6204444/6202398. lx: 011-78411 HOLI IN/011-78404 HINN IN. Fax: (0091-22) 6204452 • NEW DELHI: oliday Inn, Connaught Plaza. Tel: 3320101. Tlx: 031-61186 HIND IN. el: 3010211. Tlx: 031-65526 CLAR IN • BANGALORE: Tel: 77676/77931. lx: 845-8668/2354 MACH IN • CALCUTTA: Tel: 412009. Tlx: 021-5421 AHMEDABAD: Tel: 448602 • PUNE: Tel: 661752.

Sintex Industrial Tanks



Tried, Tested & Trusted for over 15 years

Now the Sintex Industrial Tanks have been in service for more than 15 years. Withstanding the test of acids and chemicals. A performance that speaks volumes for the quality, reliability and utility that is assured with each Sintex Tank.

Moulded to seamless perfection from superior grades of polyethylene materials, they are light-in-weight, easy to install and totally maintenance free.

Available in different shapes and sizes of upto 25,000 litres capacity. The Sintex Industrial Tanks have today become the standards for the storage of chemicals and acids.

For Further information contact

SINTER PLAST CONTAINERS

Plastic Division : **The Bharat Vijay Mills Ltd.**
KALOL (N. GUJARAT) 382 721
Phone (02764) 2228, 2274, 2352, 3144, 3145.
Gram : "SINTEX", Telex : 01205-202 SPC IN.
Fax : (02764) 2385

Bidhan/SPC/159/90

None on target

With three out of six scrips listed for the contest under review remaining unchanged, the contestants' predictions were wide off the mark.

We have no winners. Better luck next time.

Scrips	Prices as on Monday 30 July 1990 (Rs.)	Prices as on Monday 27 August 1990 (Rs.)
20th Century	34.00	34.00
Asea Brown	140.00	120.00
Carbon Corpn	75.00	75.00
Gujarat Ambuja	81.50	75.00
National Rayon	1,090.00	1,090.00
SKF Bearings	1,875.00	1,825.00

Given below is a new list of six scrips, and their closing prices on 10 September, 1990. Pick the share that you think will rise the most in percentage terms by 8 October, 1990 and rank it number one. Then choose the one that you expect will rise the second most and rank it number two. Then number three, and so on till rank six. It's as simple as that!

So, in this Investor Contest, you don't have to predict the price of shares; you merely have to rank the performance (in percentage terms) on the basis of the prices you expect each to reach on 8 October, 1990. You don't have to tell us either the prices or even the percentage changes you expect — only fill in the ranks from one to six.

Please note that if you assign the same rank to two scrips, then the following one should be ranked the next consecutive number. For example, if you rank two shares at number three, the next will be number four (in which case, of course, your last rank will be five).

Rules:

1. There is no entry fee.

2. The price mentioned last in the official quotation list will be taken as correct for purposes of calculation. If the stock exchange remains closed on the stated last day, the closing price on the prior day will be used.

3. Entries must be on the printed form given below. Any other entries will be disqualified.

4. Only one entry will be permitted per form.

5. Envelopes sent in should be marked Investor Contest. All entries should be sent to: Investor Contest, **Business India**, Wadia Building, 17/19 Dalal Street, Bombay 400 001, by 5 pm, 4 October 1990.

6. Business India's decision on the winning entries is final and binding, and no correspondence in this regard will be entertained.

7. The contest is open only to residents India. No employee (or any direct relation an employee) of the **Business India grou of publications** is entitled to enter t contest.

8. The prize of Rs.5,000 will not be carrie forward if there is no winner. In the eve that there is more than one winner, the pri will be shared equally.

Name of scrip	Prices as on Monday 10 Sept. 1990 (Rs.)	Rank as on Monday 8 Oct. 1990 (please fill in number)
ACC	1975.00	
Bombay Dyeing	401.25	
Bajaj Auto	719.00	
Grasim	223.75	
Tisco	372.50	
Telco	230.00	

Name:

Address:

Age:

Profession:

Date:

IC32

ENSURING PUBLIC SAFETY DURING SITING, CONSTRUCTION AND COMMISSIONING OF NUCLEAR POWER PLANTS.

The most important consideration in selecting a site for a nuclear power plant is to ensure that the site-plant combination does not pose radiological or any hazards to either the public, plant personnel or the environment, during normal operations or in the unlikely event of an accident. The Atomic Energy Regulatory Board (AERB) has stipulated a "Code of Practice" on safety in nuclear power plant siting and several safety guidelines for implementation. In evaluating the suitability of a site, it is essential to note a nuclear power plant needs plenty of ***cooling water,*** to cool the reactor components and the condenser. Which is why, a site is selected nearer to a river, reservoir or the sea. To economise on fresh water, cooling towers are used, as at Narora-1&2, Kakrapar-1&2 and Rawatbhata-3&4 and 5 to 8. Secondly, a reactor building needs ***a strong foundation.*** Elaborate tests are carried out to ascertain ground geology for type of rock, soil and water table. Thirdly, to ***safeguard against earthquakes,*** the proposed site, depending on the location, is classified into its respective seismic zone 1, 2, 3, 4, or 5, zone-5 being the most seismic and unsuitable for nuclear plants. About 300 km radius area around the proposed site is studied for its past history of tremors and earthquakes, to assess the severest earthquake that could occur, for which the foundation, building and equipment supports are designed accordingly. This ensures that the plant as built, will retain integrity of structure, piping and components, should an earthquake occur. Engineering designs also take into account external natural mishaps such as floods, including those by upstream dam failures and tropical cyclones.

The other criteria for siting include ***areas to be comparatively less populated,*** remote from wildlife sanctuaries, as well as from historical and archaeological monuments. A reactor plant should also not be within close proximity of airports, military ammunition depots, mining operations and chemical industries.

Site Selection procedure in India.

To study prospective sites in a given region, the Department of Atomic Energy (DAE), Government of India, appoints a Site Selection Committee with experts from the Central Electricity Authority (CEA), Atomic Minerals Division (AMD), the Health and Safety Group and the Reactor Safety Review Group of the Bhabha Atomic Research Centre (BARC) and Nuclear Power Corporation (NPC). The Committee calls for prospective sites and the site data from respective State Governments. The sites are then visited, assessed and ranked. The Committee's recommendations on candidate sites are forwarded to the DAE and the Atomic Energy Commission (AEC). The final selection and announcement is made by the Central Government. The selected sites also receive Governmental "environment clearance" at both the State and Central levels, before the Cabinet gives financial sanction.



Typical examples to show number of units and their total capacity at a given site

Country Location & Plant Name	No. of units × capacity (MWe)	Total Station Capacity (MWe)
1. CANADA – Bruce		
Bruce A 1-4 (O)*	4 × 904	7276
Bruce B 5-8 (O)	4 × 915	
2. U.S.A. – Wintersburg		
Palo Verde 1,2,3, (O)	3 × 1335	4005
3. FRANCE – Gravelines (Nord)		
Gravelines 1-6 (O)	6 × 951	5706
4. W. GERMANY –		
Gundremmingen KRB		
Gundremmingen B & C (O)	2 × 1310	2620
5. USSR – Leningrad		
Leningrad – 1,2,3,4, (O)	4 × 1000	4000
6. KOREA – Kori, Kyong-nam		
Kori 1-4 (O)	1 × 587	
	1 × 650	3137
	2 × 950	
7. JAPAN – Niigata		
Kashiwazaki – Kariwa 1 (O)	1 × 1110	
Kashiwazaki – Kariwa 2,3,4,5 (C)	4 × 1110	8262
Kashiwazaki – Kariwa 6,7 (P)	2 × 1356	
8. INDIA – Rajasthan		
Rawatbhata 1-2 (O)	2 × 220	
3-4 (C)	2 × 235	2910
5-8 (P)	4 × 500	

*O = Operating, C = under construction, P = Planned

The trend is to locate a number of units in a cluster, at a selected site. Although there is an advantage of economy of scale with increase in unit rating, there is a practical limitation that the maximum mega-watt rating of a unit should not exceed 15% of the size of the grid to which it is connected, to ensure grid stability. The highest rated units in India are presently of 500 MWe. The radiation dose at any site should not exceed 100 millirem per member of the public at 1.6 km boundary. All nuclear power plants in India are located in northern, western and southern regions, remote from coal mines.

Construction and Commissioning.

Before any ***construction*** commences at a site, a construction licence from the AERB is necessary. For this, the AERB does an independent and thorough review of the site related information and the design details. To ensure that the proposed plant can be built and safely operated on the site. A continuous quality assurance programme is instituted. From excavation to complete erection of building and equipment to ensure that the contractors follow design specifications to perfect precision. The construction activities last for about six years excluding the commissioning period.

The ***commissioning*** process involves testing and making operational, individually as well as in an integrated manner, various systems such as electrical, service water, heavy water, reactor regulating and protection, steam turbine and generator. And, verifying that these are in accordance with the design intent. To meet the performance criteria, including safe radiation levels in the plant area and radioactive effluents during operation. AERB's stagewise clearance is mandatory, before filling heavy water, loading fuel, making the reactor critical, raising steam, synchronising and reaching levels of 25%, 50%, 75% and 100% of full power. The commissioning period lasts for about two years during which the operation and maintenance staff is further trained, qualified and licensed as required.

NPC. Taking the nation progressively forward.

To achieve a better standard of living today and to conserve our dwindling energy reserves for future generations, we would need an optimal mix of thermal, hydel and nuclear sources for fuelling India's growth needs. That's why NPC has just one major overriding goal. To harness the power of the atom. To help India achieve self-sufficiency in power generation for generations to come.

NPC. Fuelling a powerful future.

Want to know more about nuclear power? Send your queries to:

NUCLEAR POWER CORPORATION
(A Govt. of India Enterprise)

Centre No. 1, 16th & 20th Floor,
World Trade Centre, Cuffe Parade,
Bombay-400 005.

Issued for public information by the Directorate of Environment and Public Awareness — Nuclear Power Corporation

CONTOUR-NPC-157B/90



That's professional electronics at work.

Technological advancement, breakthroughs and upgradation are the bywords in today's high tech corporate world.

At GCEL, however, such achievements assume a different meaning. More so because our professional electronic equipment serve crucial areas of Telecommunications, Defence, Aviation, TV and FM Broadcasting, Flood Control and Weather Forecast.

Our "Product Improvement Team" and "Standing Committee On Product Improvement and Evolution" regularly meet to plan for quality improvement, solving field problems and designing new generation products.

For instance, we designed, fabricated and set up a series of special test jigs for servicing the modules of the vital Direction Finding Equipment for our Defence customer.

It is this innovative spirit, teamwork and quest for achieving the highest levels of professionalism that have enabled GCEL emerge as leaders in professional electronics.

GCEL. Bringing far horizons closer.

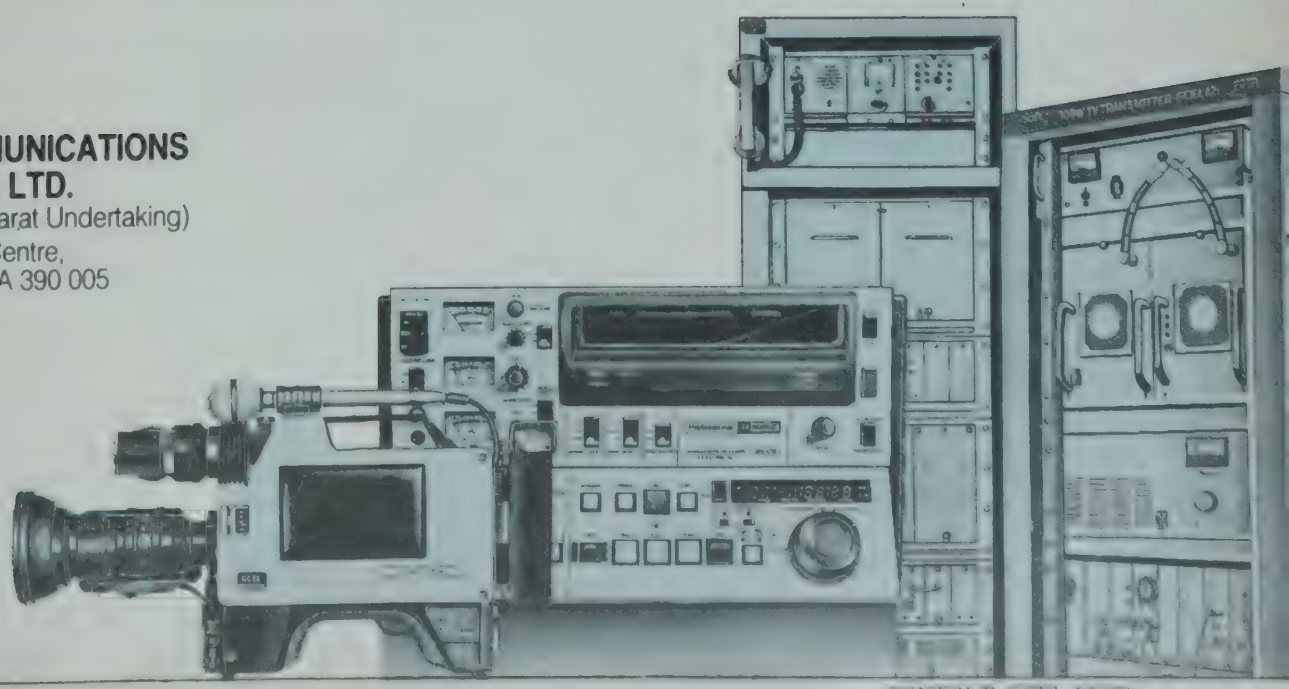
In just 14 years, GCEL has pioneered an entire range of electronic products. From Navigational Aids to Telecommunications. From Defence equipment to Video & Broadcasting equipment. Products that help bind the nation together. By meeting national needs and priorities. And by helping improve the quality of life of the people of India.

GCEL. Making it happen.

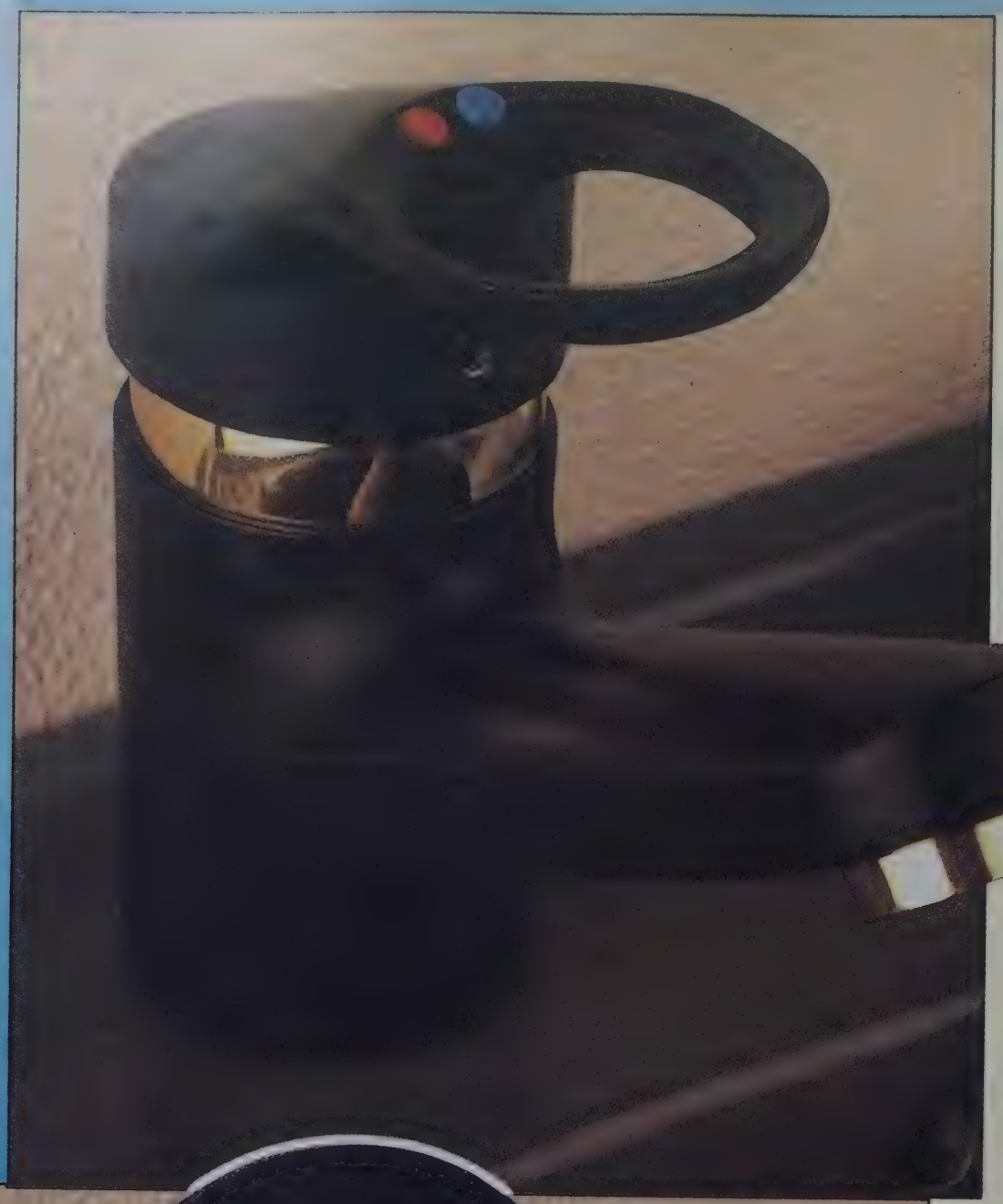
When unity adds up to strength.



GUJARAT COMMUNICATIONS & ELECTRONICS LTD.
(A Government of Gujarat Undertaking)
Anurag Commercial Centre,
Race Course, BARODA 390 005



LUXURY THAT'S WASHERLESS



Introducing ORNAMIX - the finest range of AUTHENTIC SINGLE LEVER MIXERS. From Jaquar.

Now you can dress your bathroom with ornaments — aptly called 'Ornamix'.

A range with designs that are simply out of this world. So modern, so sophisticated and so elegant. Enhanced by a choice of several colour combinations.

The best part of them all is inside — an imported Ceramic Disc Cartridge. Which means there are no washers to wear out and no money - wasting, irritating leaks ever. Plus the convenience of desired flow and temperature of water at the lift of a lever.

All this with the technological back up of Jaquar, a name synonymous with the finest in innovation, quality and reliability.



ORNAMIX

AUTHENTIC SINGLE LEVER MIXERS

from • J A Q U A R

Jaquar

Crescent

For more details, contact your nearest Jaquar dealer or our Marketing Representative at : Ahmedabad : 384414, 392793. Bombay : 6321761. Bangalore : 321900. Calcutta : 449129. Chandigarh : 42924. Delhi : 7117411, 7215708.

JAQUAR & CO. PVT. LTD., C-20, S.M.A. Co-op. Industrial Estate, G.T. Karnal Road, Delhi

Most of the company cars have been "quarantined", executives are travelling by rain instead of plane, bicycles are out on the streets and many employees are also "footing" it to work. This dramatic transformation has come about recently in Mithapur, the sprawling township in Gujarat and home to Tata Chemicals Limited (TCL), as a result of chairman and managing director (CMD) **Darbari Seth's** unique appeal. "I have always been a keen student of energy and I was very concerned about our country's petroleum use policy," says the man considered the most innovative manager in the Tata group. The appeal lamented our large scale import of petroleum and petroleum products, "our very limited hydrocarbon resources, mindlessly over-exploited" and asked the 18,000 TCL hands to take "every possible step to reduce our dependence on the use of hydrocarbons."

The response was overwhelming. Petrol consumption was reduced by about 65 per cent and domestic air travel came down by almost 90 per cent. "It was touching," says Seth. "People understood the enormity of the problem and readily started cooperating. The only exceptions made were for school going children and sick people. Otherwise practically the whole of Mithapur was on bike or foot." And what about the CMD himself? Seth took to walking the 1.5 km stretch between his home and office at the TCL complex. In Bombay, "my house is 12 km away from the office, and I have switched over from my Mercedes to a more fuel-efficient Maruti"



Even though it was her first foray into the world of cheesecake and arc lights, the ad set a thousand hearts aflutter. Who, asked inquisitive souls, was this girl? Now it can be told.



The pretty face promoting traditional Indian designer outfits for south Bombay's Ensemble boutique belongs to **Leena Labroo**. "It was fun, the atmosphere was very informal but I was extremely self-conscious," confesses the vivacious accounts executive from Delhi. Unfortunately, Labroo, Keshub Mahindra's daughter and wife of Sanjay Labroo, executive vice president, Asahi India Glass, is not keen on a career in modelling. "I did the Ensemble ad for a friend and I'll face the camera again only if some extraordinary assigment comes my way," coos the model. What a shame!

Quick now, guess who got Anup Jalota to sing, Hema Malini to dance and Pandit Jasraj to perform before Pune audiences? The irrepressible **Suresh Kalmadi**, that's who! With his party out of power in Delhi, the flamboyant Congress (I) MP now spends more time in his hometown, organising attention-grabbing events, such as the recent Ganesh Utsav, a 12-day festival where he managed to get the various talents together. Apart from the cultural events, a 450 km car rally, bullock cart races and a wind-surfing competition too drew in the crowds. "Next year is the Visit India year and Ganesh Utsav is part of an effort to put Pune on the world tourist map," says Kalmadi. The ex-IAF pilot turned restaurateur turned politician has found the time to turn financier too. For, on his anvil are plans to launch a leasing and hire-purchase company very shortly.



Here is a businessman with a keen social conscience. **Om Prakash Navani**, the chairman and director of Om Construction Pvt Ltd, Bombay, is the moving force behind the Drug Abuse Information Rehabilitation and Research Centre (DAIRRC). Navani is convinced that at least 100,000 drug addicts are destined to die in India in the next 10 years. He wants to start the Drug Resistance Education Programme through which 25,000 school children in Bombay will be educated about the dangers of drugs. Though Navani funds the DAIRRC from time to time, he has approached the president of the Indian Merchants Chamber for an appeal to businessmen for their help. He was also the organiser of Life-90, an ongoing programme in which a galaxy of film stars campaign against drugs. According to Navani, businessmen can also help cope with the drug menace by absorbing rehabilitated drug addicts into their organisations.



THE INDI

Ladies and Gentlemen

It gives me great pleasure to welcome all of you to the Fortyfourth Annual General Meeting of your company. The audited accounts and the Report of the Directors for the year ended 31st March 1990 have been with you for some time now, and with your consent I shall take them as read.

ECONOMIC SCENARIO

We are meeting against the background of sweeping changes in the global environment – both political and economic. Every day, it is becoming increasingly obvious that unless India wakes up to the realities of these changes, we will be left far behind in the development process.

For more than five years now, a number of measures have been initiated by the Central Government to liberalise policies and procedures with a view to spur industrial growth. The increase in exemption limit under the MRTP Act, relaxations in Industrial Licensing, setting up of growth centres, broadbanding, etc., come to mind readily in this context. In spite of yet another democratically ordained transition of Government in the closing days of the last decade, this welcome trend in liberalisation seems to be continuing. The new Industrial Policy recently announced contains many positive deregulatory features such as delicensing upto an investment of Rs.25 crores in non-backward areas and Rs.75 crores in backward areas, simplification of the norms for foreign collaboration, free foreign equity investment upto 40%, etc. However far-reaching these changes may seem in the Indian context, they are only a partial reflection of the winds of economic liberalisation sweeping the rest of the world. Most of the countries in the Third World – in Africa, Asia and South America, have gone far beyond this in terms of throwing open their economies to international competition, and introducing positive measures for attracting direct foreign investment. With the bewildering pace of change in Eastern Europe, and the challenge of 'Europe 1992', India faces the risk of slipping even further down in the investment priorities of the developed nations, unless we hasten to put our liberalisation act together, and take steps to come in line with the rest of the world.

There can be no more tarrying with the logic of liberalisation. The results of the steps we have taken in this direction already are obvious. Since the launching of the Five Year Plans, the country has witnessed consistent industrial growth only during the last decade. The rate of growth averaged close to 8.5% between 1985-86 and 1989-90. From all indications available, it is clear that the trend of high rate of industrial growth is continuing in the current year as well.

What is heartening is that the capital goods industry, of late, has emerged as the main contributor to this growth. This would mean that the economy is in a position to absorb much larger investments, thereby holding out the prospects of high growth in future.

However, to sustain the momentum that has been built-up, as I said earlier, expeditious and effective steps need to be taken to move India further away from a command economy towards a market economy. Notwithstanding the risks inherent in a free market, enlightened industry looks forward to such a regime where intelligent entrepreneurship and committed professional management can be directly translated into business success, and what is of much greater long term significance, into tangible national accomplishments.

COMPANY PERFORMANCE

The proof of the above postulate is clearly reflected in your company's performance. After total decontrol, the cement industry is operating in what is substantially a free market, where normal economic laws of supply and demand come into play. With the induction of a comm entrepreneurial management, the company's fortunes have seen a remarkable turnaround in the second half of the last financial year.

While turnover in 1989-90 increased by just 10% over the pre year, the company earned an operating profit of Rs.1.01 crores, a the operating loss of Rs.5.56 crores in the previous year. The pro the current year would have been even higher, but for the loss su in operations during the first half of the year.

Faced with demand constraints in its primary Southern markets major part of the year, an aggressive strategy was adopted to cap on the in-built marketing strengths and brand reputation of your co The organisation has been restructured to mould an effective manag team, which operates towards well-defined goals within the overall corporate objectives. An improved and responsive Management Information System, coupled with periodic performance reviews, ha resulted in enhanced organisational efficiency.

Since the close of the year, a new dry-process plant at the Sankarnagar factory has been successfully commissioned.

As the Directors have mentioned in their report, your company was also quick to seize upon an unexpected business opportunity t cropped up, by successfully bidding for the Cement Division of Coromandel Fertilizers Ltd. This acquisition, which has opened up additional markets and raw material resources to the company, is expected to yield substantial benefits in future years.

As part of its constant quest for diversification to facilitate grow the company has entered the area of Real Estate and Property Development.

All these are clear indications of the strong entrepreneurial orien that has been given to the company's management. At the same ti the corporate management processes have been strengthened to en effective and objective decision-making.

CEMENT INDUSTRY

The health of the cement industry had not been good for quite years mainly on account of increase in the administered prices of in over which the industry had no control, and the creation of surplus duction capacity. Even after total decontrol with effect from 1st March there was no improvement due to unremunerative selling prices.

In spite of these problems, the industry produced a total of 45.6 m tonnes during 1989-90, representing 93% of the target. The capacity utilisation at 78.6% during the year was also more than that during previous year, and would have been higher but for poor off-take of cement by Government Departments, except during the last quarter the financial year.

The demand for cement has shown a sharp increase in recent mo with a pick-up in demand from the Government and the Housing Se

The year under review witnessed signs of revival of the health o cement industry. Continuous increase in cost of inputs over the last years, combined with sudden increase in installed capacity, had alm brought the industry to the verge of financial collapse. Selling prices cement had dropped to uneconomic levels due to surplus availability particularly in the South.

The improved demand situation from the last quarter of 1989-90 enabled selling prices to finally rise from the unremunerative levels.

EMENTS LIMITED

THE CHAIRMAN'S ADDRESS AT THE FORTYFOURTH ANNUAL GENERAL MEETING HELD ON 27th AUGUST 1990



wever, before the industry could seek solace from this improvement, Government intervened with a request that prices of cement be ntained at pre-March levels. This involvement of the Government n the market mechanism had a destabilising effect on prices. There is continuing pressure from the Government that cement prices should brought down.

While evaluating this request of the Government, it will be appropriate ook back at the history and growth of the cement industry. The ient industry struggled for decades under the yoke of complete trol of price and distribution by the Government, during which years, re was tardy growth of installed capacity. It was only after introduction partial decontrol in 1982 that the installed capacity of the cement ustry shot up by about 25 million tonnes in a span of five years. ile the sudden increase in capacity had an adverse effect on the rket during the last few years, with the increase in demand for cement t is now being projected it is anticipated that cement will again be in rt supply by the middle of the Eighth Five Year Plan. Even now re is an acute shortage of cement in certain areas in the North and t. It is only the Southern States that are surplus in cement.

While the Government's anxiety to control prices is understandable, unreasonable for the Government to direct the cement industry to at unremunerative prices fixed arbitrarily. Selling prices must bear tion with the cost of inputs, most of which are controlled by the vernment. Power and fuel account for two thirds of the variable cost production of cement. If the administered prices of these inputs tinue to increase, there is no way that cement prices can be controlled.

In this context it is also important to point out that these important uts are also not available in sufficient measure to enable the industry produce to its full capacity. Supply of coal has been poor and short of agreed targets during the last few years. Recognising this, the vernment had permitted import of coal under OGL until last year. The ance of payments situation has forced the Government to move coal he restricted list under their latest policy, which has left the cement ustry in the lurch. The industry's plea to the Government to restore port of coal under OGL, or at least allow limited import for cement nts in the South to meet genuine shortfalls in coal supply, has not with any success. Failure of the Government to respond to this uine problem of the cement industry is bound to reflect in entuated scarcity for cement.

An important feature of demand and supply balance of cement is the tinuing surplus in the South and deficit in the North and East. The hibitive freight rates act as deterrent for movement of cement from surplus areas to the deficit regions. The Government needs to take ps to subsidise long-distance haulage of cement to enable the industry meet the requirements in the deficit regions. This will also enable the tories in the South to operate at a higher level of capacity.

There is considerable demand in international markets for cement. neighbouring countries Bangladesh and Sri Lanka are already porting cement from India. The industry has been pleading its case for ancement of cash compensatory support from 10% to 25% to enable p step up exports. A favourable decision in this regard will enable ts, particularly in the South, to take advantage of good demand for nent in neighbouring countries and augment the foreign exchange ources of the country.

The long term prospects for the industry are therefore bright, vided necessary infrastructural support is made available by the vernment. Recent studies show that additional capacity will have to created during the Eighth Five Year Plan to satisfy the requirements of cement by the year 1994-95. In order that investment is made in the cement industry during this plan period, the Government should take suitable effective steps. Unless the financial health of the industry improves, the needed investment is not likely to be forthcoming.

Another issue that hangs over the cement industry like the proverbial 'Sword of Damocles' is the Jute Packaging Materials (Compulsory usage of Packing Commodities) Act, 1987. The development of any industry cannot be at the expense of another, and it is illogical for the Government to enforce the utilisation of any particular packing material upon the cement industry, especially when it has no customer acceptability and is also much more expensive than the alternatives available. Your company is one of the litigants challenging this statute requiring usage of 65% of jute bags for packing cement. We hope the Government would perceive the impracticability of this legislation and altogether exempt the industry from any artificial stipulations on packing.

One last word on cement prices. With liberalisation of the Industrial Policy and the pick up in the economy, all industries have generally been booming and rewarding the investing public handsomely. The designated 12% Post-Tax Return for the cement industry, fixed way back in 1979, therefore needs to be reviewed in the context of the general levels of the profitability in Indian Industry, including industries such as Tea, Sugar, Steel and Edible Oils to name a few essential commodities. Also, the returns earned should take into account the general increase in interest rates and inflation. It is my submission that a 12% return for the industry is no longer adequate and any judgement of the reasonableness of cement prices should bear this in mind.

TRENDS — CURRENT YEAR

The satisfactory performance of your company in the second half of 1989-90 has been maintained and improved upon in the current financial year. If 1989-90 was a year of turnaround, the year 1990-91 can be termed one of expansion and consolidation. The market for cement has been buoyant and the operating results till date have been very encouraging. The turnover for the period April-July 1990 was Rs.67 crores, which is a 50% increase over the corresponding period in 1989. Your Directors expect to maintain this level of performance for the rest of the year.

ACKNOWLEDGEMENTS

On behalf of the company, I would like to acknowledge with gratitude the help and co-operation received by us from the Central Government, the Government of Tamil Nadu, the Financial Institutions and our bankers.

I wish to thank the management team and the employees of the company for their dedicated endeavours during the year.

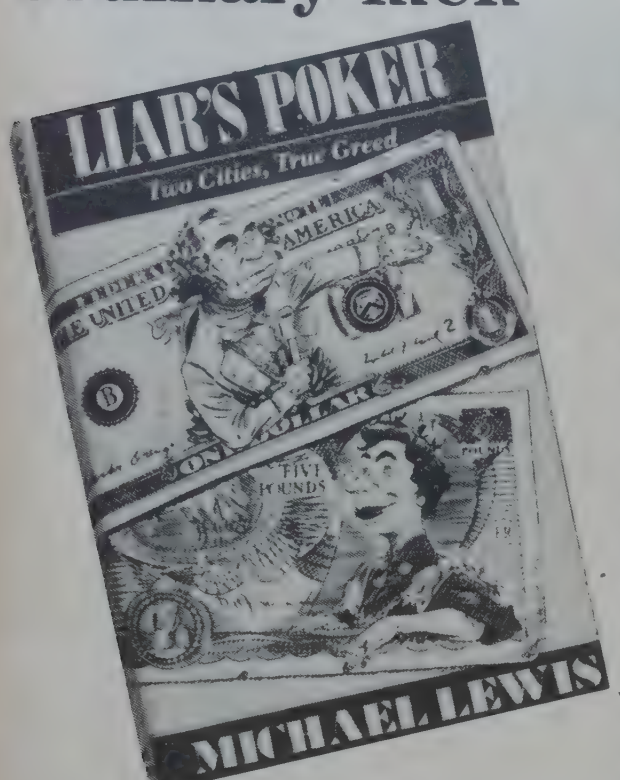
I would also like to place on record the tremendous personal contribution of the Managing Director, who by his committed and energetic leadership has taken the company well forward on the path to growth and progress.

Thank you!

N. SANKAR
CHAIRMAN

NOTE: This does not purport to be a record of the proceedings of the Annual General Meeting

The Midas touch of ordinary men



LIAR'S POKER: TWO CITIES, TRUE GREED
By Michael Lewis
Hodder & Stoughton, pp.225 (hb)
Distributed by UBSPD

It was a heady time. Fresh out of college, new bond sales recruits at any of the large investment banks on Wall Street like Salomon Brothers, Drexel Burnham, Lehman Brothers, Goldman Sachs or Morgan Stanley, could expect to make upwards of several hundred thousand dollars a year. Michael Lewis was one of these tyros. And his witty, evocative and marvellously irreverent book tells us about his experiences at Salomon Brothers.

In 1979, Paul Volcker, who was then chairman of the Federal Reserve, decided that money supply would not fluctuate with the business cycle; instead interest rates would float. As interest rates gyrated, so did bond prices, which move inversely to interest rates. Investors in bonds, who had been a conservative lot until then, overnight went into a frenzy of speculation. To add fuel to the fire, the American government, consumers, and corporations went on a wild borrowing spree transforming their combined debt from $323 billion in 1977, to $7,000 billion in 1985! A large percentage of this was in bonds. The boom in the bond market was a bonanza for Salomon Brothers, who in the early eighties dominated it.

The rewards were high — the risks low. Commissions were built into the sale of bonds, without being openly stated. Moreover, the same block of bonds sold to X could be resold to Y. Writes Lewis, "In any market, as in any poker game, there is a fool...." A fool, according to Salomon Brothers, was anyone who was willing to sell a bond for less or buy one for more than it was worth. And, not only did Salomon bond traders know the real value of bonds, but they also knew about fools because that was their job.

It was into this magical world that the author entered. Lewis remained at once involved and detached. He documents his own initiation into Salomon Brothers, which was at times whimsical, bizarre, humorous and frightening. At the same time, as an observer, he analyses the company's rise; the role that it played in the creation of the mortgage bond market, which came to dominate Wall Street; its failure to compete with Mike Miliken of Drexel Burnham in the junk bond market; and finally its decline as the company itself became a target for takeover due to the incompetence of its top management.

A skilful writer, Lewis blends personal experience, anecdote and hardhitting analysis into a seamless whole. He describes how Lewis Ranieri, a college dropout who had risen from the mail room, bulldozed his way into a position of control at the mortgage department. Ranieri created the mortgage bond market, which, because of the sheer number of home mortgages in the US, became the largest capital market in the world. Lewis interspersses a lucid description of the challenge that any attempt at securitisation of home mortgages faced, with an entertaining account of the culture that Ranieri created in his department.

"In any market, as in any poker game, there is a fool...." A fool, according to Salomon Brothers was anyone who was willing to sell a bond for less or buy one for more than it was worth. And, not only did Salomon bond traders know the real value of bonds, but they also knew about fools because that was their job

He hired people like himself, outsiders who were fat and aggressive. They made enormous amounts of money for the company, but they also guzzled food in monumental quantities. Every Friday was 'Food Frenzy' day when all trading ceased and eating commenced. Slapstick humour was at a premium. One day, Ranieri marched up to a young trader, and with a big smile asked him how a deal was going. The trader began to reply, and only then did he realise that Ranieri, who was standing quite close, was holding the flame of a lighter under the fork of his trousers which were about to catch fire.

Engaging manner

Lewis goes through the decline of Salomon Brothers in a detached but engaging manner, sharing his understanding with the reader. With Salomon Brothers turning from a partnership firm into a company in 1981, it became more interested in empire building rather than the bottomline. John Gutfreund, the chairman, was obsessed with trying to project himself in the media as the King of Wall Street. The top management grew increasingly isolated from the realities of the trading floor. When the traders who were actually making the money were refused a bigger slice of the cake, they got snapped up by rival investment banks. The end was in sight when, to prevent a takeover by Ronald Perelman, Salomon Brothers took a series of disastrous decisions culminating in large-scale retrenchment of its staff. Thus this leading investment firm, constantly on the prowl and upwardly mobile for whom the top was the only place to be came unceremoniously hurtling down the financial mountain, like a dislodged boulder.

However, Salomon Brothers survived, though its domination in the bonds market had ended. It even endured the stock market collapse in 1987. But, Lewis got bored and quit. He refuses to draw any lessons from his experiences. In the final analysis, his book is a story about fairly ordinary people who had to justify to the world, and to themselves, the enormous sums of money they were making. And about one man who walked away from it all.

■ EAPEN THOMAS

THE JEWEL IN THE EAST.



A three hundred year old city. And a hundred year old hotel. Imbued with the charm of the passing years. And furnished with modern conveniences.

A hotel that has played host to kings and queens. To royalty, crowned and uncrowned. From the world over. Who have stepped into its portals and fallen under its spell. To return again and again.

To the jewel in the East. The Oberoi Grand.

The Oberoi Grand

CALCUTTA, INDIA

Because you deserve the best the world has to offer.

A member of *The Leading Hotels of the World*

For reservations contact:
Bombay Tel: 2025757, New Delhi Tel: 363030, Calcutta Tel: 292323, Madras Tel: 478156/473430, Bangalore Tel: 573444, Ahmedabad Tel: 464451, Pune Tel: 666590.

OBEROI HOTELS: Australia, Indonesia, Iraq, Nepal, Saudi Arabia, Egypt, Sri Lanka and India.

Mudra D-EIH 0163

An enduring passion

Twenty two kilometres from Nasik, in the picturesque village of Anjaneri, there stands a complex of low lying structures, in complete harmony with their surroundings. The 'Nasik Darshan' tourist bus comes here weekly to show off what has become a prime tourist attraction — The Indian Institute of Research in Numismatic Studies. The institute houses a vast coin collection and other historical treasures that have been assiduously put together over the years by industrialist Kamal Kumar Maheshwari.

Despite his diverse business interests — in chemicals, consumer goods and packaging — Maheshwari has found time to nurture something which started as a hobby and has now become a passion — coin collecting.

Maheshwari began collecting coins at the age of 10. His association with money matters began around the same time. "My grandfather would take me with him to sit on a *gadda* and learn elementary book keeping," he says. It's no wonder then, that by the age of 14 he had begun to assist in his father's textile business in Ahmedabad under the guidance of uncle B.K. Birla. Coins held a special fascination for Maheshwari. He was intrigued by what they represented — how it was possible, through them, to learn about the socio-economic conditions of societies that existed centuries ago. His collection grew, and so did his interest in numismatics.

Sunday was the only day free from hectic business schedules, he recalls. "Every Sunday I would wander around in *sarafas* (silver markets) looking for rare coins." He was horrified at the ignorance regarding coins. Often, he missed a rare specimen because the owner had melted it down. Even today, every free moment is spent zipping off into silver markets and homes to unearth undiscovered numismatic treasures.

Birth of an idea

His interest in numismatics led him to research and co-author a book, *Maratha Mints and Coinage*, with British numismatist Kenneth Wiggins. "While planning this book in 1977-78 I faced many hurdles. I realised that there was little information, no libraries and hardly any reference sources for a student of numismatics." And so, the idea of a research institute was born. Encouraged by eminent historian and numismatist Parmeshwarilal Gupta and S.M. Shukla, also a numismatist, Maheshwari began scouting the country for an ideal site.

The institute was inaugurated in 1984 with one main aim — to provide comprehensive research facilities to the stud of numismatics. Everything relating to search was incorporated — librar photo-archives, a coin museum, and e residential arrangements.

The museum has over 20,000 coins, earliest dating back to the 6th century B "Many coin collectors donated entire lections to the museum when they saw work we were doing," says Maheshw The extensive photo archives stock p tures of coins from museums and priv collections. In the early days, Maheshw would spend his Sundays photograph borrowed coins.

But numismatics cannot studied in isolation. The in tute offers facilities for lated study as well. A la newsclipping section; a do mented collection of lette personal notes and oth writings of famous schola and historians; a beautifu crafted model of a 4th centu mint in operation; co moulds, weights that were used for weig ing coins in the early 19th century; 14 century copper plates with details deeds and grants inscribed on them; sea belonging to the 9th century — all the assist the research scholar. "You nev know what will provide a clue to your r search," says Maheshwari,describing ho he traced Phoolgaon, a village near Pun through a Peshwa coin and a letter writt in 1828.

Interestingly, most students are Eur peans; the institute is firmly establishe on the international numismatic map as primary source of information for Indo logical studies. "We have been contin ously trying to popularise the study o numismatics in India," says Maheshwa He plans to organise diploma courses, O mania University having already recog nised numismatics as a subject for pos graduate studies. The institute holds co loquiums, seminars, workshops and train ing courses, apart from regularly bringin out the *Numismatic Digest*.

Though the institute is today manage entirely by a trust, Maheshwari retains hi personal involvement. And, he manages t combine a flourishing business with hi enduring passion — building up collec tions of rare and valuable objects as div erse as playing cards, Indian painting and even matchboxes. Because at heart he remains what he started out as — a collector.

■ SONIA MEHT





The institute and (inset) its moving spirit Maheshwari: firmly established on the international numismatic map

drive for development



shnu Pradhan, *51, is general manager, ta Electric Companies R&D.*

most 18 years ago, Bishnu Pradhan, his fe and son drove down in his Peugeot 4 from Pennsylvania in the United ates to Bombay. The journey across ree continents took him three months d brought him back to India, which he d left in 1961. For Pradhan the journey as a challenge".

The challenges continue even today. adhan now heads one of the largest pri- te sector research and development or- nisations in the country, and leads a 0-strong team of engineers and techni- ans that has successfully participated in ost of the major Indian defence research ogrammes.

He moved to the US after completing his Tech in electrical engineering from the dian Institute of Technology, Bombay. e went on to complete his postgraduate gree and later his doctorate from the iversity of Kansas. His doctoral thesis as unique — high speed digitising for loured photographs, used specifically r landscape architecture — which he tented. By then he was married and had child and he took up a job as a staff gineer in the high energy physics partment.

fficult choice. He returned to India ainly due to his wife's insistence. But the oice was difficult, especially because of e unequal financial compensation here. n uncle Joe's (Jehangir Gandhi, former anaging director of Tisco, who was a se friend) advice I joined Tata Electric mpanies on a salary of Rs.1,600 a nth." At that time K.P.P. Nambiar, the former DoE secretary, was heading TEC's R&D sector. But luck was to favour Pradhan soon. When Nambiar left TEC to form Keltron, Pradhan took charge of the new outfit which was a common research platform for another Tata company, Nelco. "I had to change from an engineer to a manager."

Before this happened, Pradhan got another lucky break. "At TEC I had nothing to do, so I decided to go to the Tata Institute of Fundamental Research. At that time P.V.S. Rao was working on the automatic data handling systems for the Indian air force and I got a contract worth Rs.20,000 to develop the terminals for the systems," says Pradhan. This, the first defence related project, was to later become the backbone of TEC (R&D), once it separated from Nelco. "We had to make a choice since we did not want to be in the same areas as Nelco — consumer electronics. Defence and power systems were the only areas we could turn to," says Pradhan.

Tug-of-war with PSUs. Pradhan, who has bested public sector companies like ECIL and BEL for defence contracts, has strong views about indigenous R&D. "We have developed many systems that the public sector was unable to deliver," he says pointing to the prestigious radar network that is presently being implemented.

Determination to outdo the "government guys", the challenge of going indigenous (when the US government banned various defence products) and his ability to understand people were the key to his success.

A man of varied interests — photography, Indian and western classical music, squash and trekking — Pradhan takes pride in the fact that his organisation won the first prestigious internal R&D award from the department of science and technology in 1988. "I see myself as a leader," he says and adds, "much of my motivation and satisfaction comes from seeing people grow in their jobs."

■ RAHUL SHARMA

FRONTRUNNERS



It was a proud moment for the 30 year old **P. Ravishankar** when he joined Associated Precision Spindles Ltd (APSL) as vice-president (finance) recently. Though transferred from SKF Bearings India Ltd, which holds a technical and financial stake in APSL, the promotion from divisional manager (taxation) to vice-president is viewed by Ravishanker as "having accomplished a challenging objective".

A chartered accountant by profession, Ravishankar started his career with A.F. Fergusson & Co, Bombay, and simultaneously qualified as a cost accountant cum company secretary. Soon after that he was grabbed by SKF Bearings where he handled commercial, financial, taxation and legal aspects of the company's expansion projects. The ambitious Ravishankar who likes doing some "professional reading in his spare time" says, "I want to be the general manager at the earliest."

—G.A



At 31, **Madhukar Patil** is leading a 12-member strong marketing team in Indrol Lubricants and Specialities Ltd. As the market development manager (consumer), he is responsible for the successful launch of two new products during his six year tenure with the company.

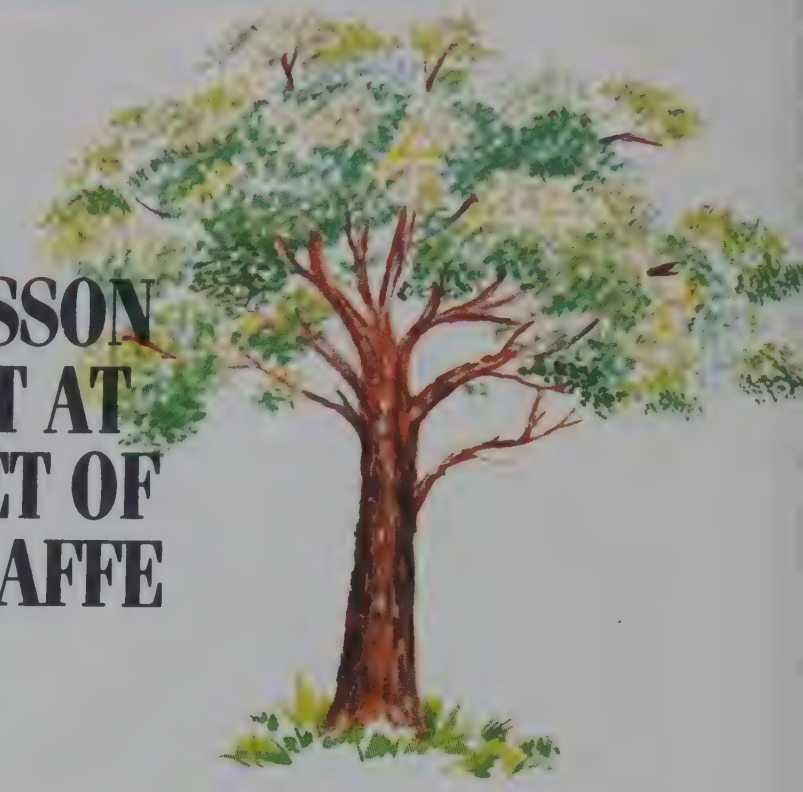
A chemical engineer from Benaras Hindu University Institute of Technology (BHUIT), Patil was offered a job of a marketing executive in this Rs.160 crore annual turnover Fera company while he was still studying in Jamnalal Bajaj Institute of management, Bombay. Promoted to his present post in 1987, Patil has resisted several lucrative job offers from other companies. Says Patil, "I don't believe in job-hopping. My present job gives me enough opportunities and new assignments."

—M.H

TARGET MARKETING BY SUNDAY MAIL



THE LESSON LEARNT AT THE FEET OF THE GIRAFFE



SUNDAY MAIL REACHES THE HIGH-PROFILE METRO SEGMENT

The top bracket amongst the metro population in Delhi, Bombay, Calcutta and Madras.

Sunday Mail's readership is profiled by that body of urbane, upwardly mobile, well educated and discerning readers. A target group that is well-aware and most receptive to top-of-the-line products and advertising messages.

SUNDAY MAIL'S SELECT AUDIENCE

It reads like a Who's Who. From the Government, the Corporate World, the Arts... In fact, the top cadre from all walks of life. The decision takers, the policy makers, the ones who really matter. Sunday Mail is staple reading to them all. The first and sole newspaper to be published simultaneously from the 4 centres.

Truly, Sunday Mail helps you target the trend-setting cosmopolites who wield an enviable purchasing power in the country. The front-rankers who influence the purchasing patterns of today's society.

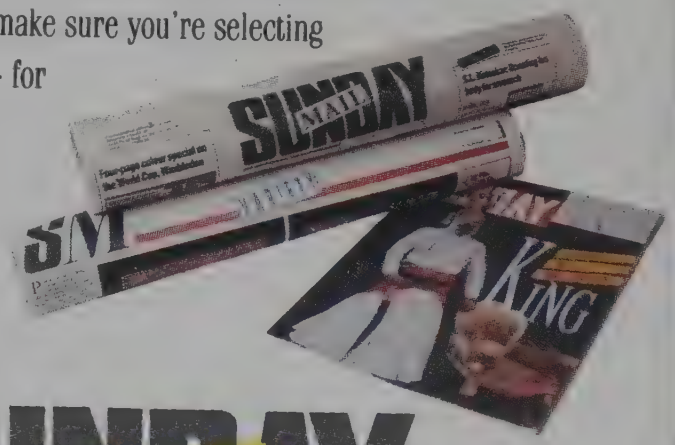
SUNDAY MAIL'S UNIQUE PACKAGE

Here is an irresistible advertising vehicle that is meticulously put together. To grab the attention of the entire family.

A package that offers you the remarkable advertising platform of .

- A 12 page Newspaper Broadsheet
- A 4 page Glossy Supplement
- A 48 page Colour Magazine

So the next time you aim high with your media planning, make sure you're selecting the best — for the best.



SUNDAY MAIL

INCORPORATING COLOUR MAGAZINE

MAKE THE MOST OF A SUNDAY

FOR DETAILS CONTACT THE MARKETING DEPARTMENT AT –

DELHI: C-43, NEETI BAGH, NEW DELHI-110049 TEL: 663243, 652916, 652923, FAX: 6862017 TLX: 031-73259 MAIL-IN
BOMBAY: IST FLOOR, KUSHESH MANSION, 48/54, JANMABHOOMI MARG, FORT, BOMBAY-400001. TEL: 2047938, 233593,225713, FAX: 2047111 TLX: 011-83391 MAIL IN
CALCUTTA: FLAT NO. 5 & 6, CHITRAKOOT BUILDING, IIND FLOOR, 230-A, A.J.C. BOSE ROAD, CALCUTTA-700 020. TEL: 433247, 441017 TLX: 021-4918 GHCL IN
MADRAS: 204-C, SHIVALAYA BUILDING, COMMANDER-IN-CHIEF ROAD, MADRAS-600105. TEL: 471091. TLX: 041-6780 MAIL IN FAX: 477886
BANGALORE: KALPAK ARCADE, CHURCH STREET, BANGALORE-560001. TEL: 578634

GOVAN/SM/106

OLUNTARY ORGANISATIONS

A new avenue

ahesh, a graduate of the prestigious IIM, medabad, moved to CRY after a 5-year int with Procter and Gamble. The rea-n: he wanted to do something different d contribute to society. He is convinced at there is as much marketing involved the fiercely competitive greeting card arket as any of P&G's products. And an ganisation like CRY has to fight in this arket place just like any other business nture. And the scope to show results is mense, besides, of course deriving satis-tion that the money earned is for a good use.

There have been others like Mahesh o have "discovered" the world of volun-y organisations. If only for short stints. d the numbers of well qualified, young ople who are doing a stint in such or-nisations, though yet very small, is on e increase. Though the rewards are of-n not commensurate, the job satisfac-on in most of these organisations is doubtedly immense.

eed for professionals

luntary organisations in India are owly shedding their frugal and some at unprofessional image. The realisa-on that these organisations need to at-act others besides social workers and cialites is slowly being recognised. In ct several of them do try to seek the as-tance of professionals on a voluntary sis for specific tasks. This of course does t work as well as employing a full time ofessional.

Voluntary organisations and charities erseas function like any other business rporation and expenses on trained anpower are considered essential. In ct, the major organisations worry about ying comparable salaries, laying down rgets/budgets for the year, having per-rmance appraisals, etc. Probably, the ly difference is that these organisations ay offer greater possibilities of part time rk than others. Senior jobs are certainly demanding, both time and tension-se.

In India unfortunately, whilst large ounts are raised in contributions, the anagement of these funds and projects generally left to volunteers who often ve little training or administrative ex-rience and generally poor finance sense. e result, naturally, is a lack of results.

With the increasing participation of the corporate sector in welfare projects and development projects — ranging from specific causes like literacy and music to adoption of villages — a new approach to such projects is visible. The need to project a proper image, "market" the project, and thus get participation, has definitely paid dividends.

The need to monitor and manage these like any other business project is understood by companies like ITC who have been in the forefront of such projects. Many of these projects are also show pieces for the company and hence importance is given to them. The staff committed to these projects is paid adequately and given the kind of status that it deserves. And naturally professionally qualified, bright people are willing to come forward in such circumstances. The UN and WHO projects, for example, attract the best talent.

Worthwhile stint

With the growing interest of the corporate sector, an increasing number of young, well educated people, including MBAs, have evinced interest in working in the voluntary sector. Every year at least two or three MBAs from the IIMs opt to work with agencies like the UNICEF. The idealism of youth, together with the generous average remuneration of over Rs.60,000 a year, makes a stint of two to three years worthwhile for these young people.

Many of these projects are also show pieces for the company and hence importance is given to them. The staff is paid adequately and given the kind of status that it deserves. And naturally professionally qualified, bright people are willing to come forward

Several organisations sponsored by foreign agencies like the Royal Commonwealth Association for the Blind, the Catholic Childrens Fund and the Hunger Project, besides of course the UN sponsored ones, pay their staff in line with industry standards. The heads of several of these projects take in about Rs.1 to 1.5 lakh a year, with benefits such as a car and a telephone. In many cases they are mature or retired professionals. And these organisations are not apologetic about this any longer. For much too long, the mistaken belief that economising on salaries is essential in voluntary organisations has resulted in attracting staff that is unable to manage the tremendous responsibilities and odds.

Undoubtedly, most young people tend to get disillusioned after a stint in these organisations due to the ambiguity of relationships between the patrons, elected governing council members, and other older part timers. The constitution of several of the non-corporate organisations give the elected members — who keep changing and are often subject to politicking — sweeping powers. Several committed workers find that they are unable to deal with such organisational politics and find the experience of dealing with often unprofessional behaviour frustrating and humiliating. Hence the clear preference for corporate sponsored bodies that have only one patron and hence one boss.

Left to others

Voluntary organisations have proliferated in the last decade and with a definite change. No more do these organisations mean going to villages and other undeveloped regions, living in unsanitary conditions and roughing it out. Several of them, such as the Hunger Project, deal only in selling an urge to change, to contribute. The nitty gritty work is left to others.

The jobs are therefore in the nature of "selling" concepts or "projects" and, in some cases, managing funds. It is in the area of financial management that several of the projects tend to lack skills since most believe that this is an area that does not need any. The projects make no attempt to get professional help.

It is a fact, though, that most voluntary organisations have generally been the domain of women. This has been due to the non-remunerative salaries. But the profile of women attracted to these organisations is also changing. They have attracted several women who, though reasonably qualified, seek part time employment or employment near their homes.

The potential to tap such resources is as yet immense. But a more professional approach to managing these institutions and a pragmatic approach to remuneration will certainly bring more bright people forward.

■ ANITA RAMACHANDRAN

विद्याविनियोगाद्विकासः

IIM AHMEDABAD

INDIAN INSTITUTE OF MANAGEMENT AHMEDABAD

announces

FIFTEENTH MANAGEMENT EDUCATION PROGRAMME (MEP)

November 25, 1990–April 6, 1991 at Ahmedabad

The Management Education Programme (MEP) is a $4^1/_2$ month intensive programme in general management for successful middle managers of large and medium organizations, financial institutions and banks, and young owner-managers of small scale industries. A unique programme designed by the faculty of the Indian Institute of Management, Ahmedabad (IIMA), MEP has earned formal recognition as one of the world's best management development programmes.

The programme is designed for those executives and entrepreneurs who have made a mark in their work in one or more of the functional areas and are to shoulder general management responsibilities but have not had an opportunity to acquire formal management education.

The programme prepares the participants for responsibilities in general management through its emphasis on skills and attitudes for:

- Integration among different functional areas, and between macro and micro aspects.
- Communication with peers, superiors, and subordinates.
- Team work to channelize individual excellence for achieving organizational objectives.

Last date for receiving nominations: October 25, 1990
Organizational sponsorship is essential.

For brochures and nomination forms, write to:
Programmes Officer (MDP)
Indian Institute of Management
Ahmedabad-380 015.
Phone: 407241 Telex: 121 6351 IIMA IN Gram: INDINMAN

LINTAS IIMA P 160 212

Sintex
Material Handling Containers



Unmatched Durability and Performance

Industrial Material Handling is never easy. The ordinary bins and containers call for frequent replacement resulting in high maintenance cost.

Sintex Material Handling Containers are designed to withstand rigourous and tough working conditions while affording ease,safety and economy. Thats why they have successfully replaced the conventional Cane, Wooden,G. I. and even ordinary plastic containers.

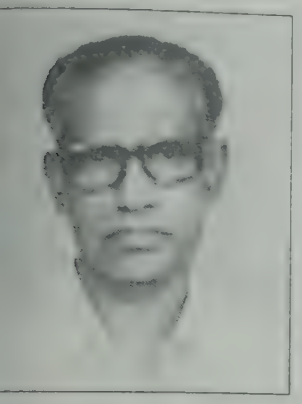
Available in various shapes, sizes and capacities, they can also be changed to match specific situations and applications.

For Further information contact

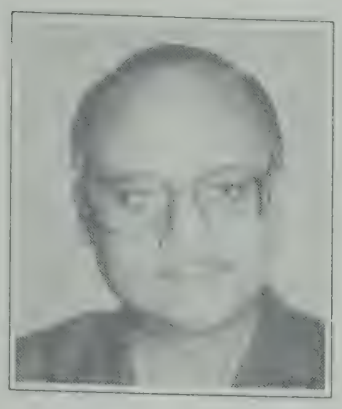
SINTER PLAST CONTAINERS

Plastic Division . **The Bharat Vijay Mills Ltd.**
KALOL (N. GUJARAT) 382 721
Phone (02764) 2228, 2274, 2352, 3144, 3145
Gram : "SINTEX", Telex . 01205-202 SPC IN
Fax . (02764) 2385

Bidhan SPC/161/9



M. Raju has taken over chairman of Kerala tomobiles Ltd.



L.M. Sud has taken over as managing director of Gujarat State Financial Corporation.



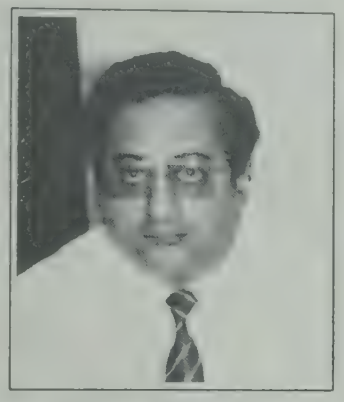
L.J. Gowrishankar has joined J.B. Chemicals & Pharmaceuticals Ltd as president, international division.



R.P. Chawla has taken over as chief general manager, telecommunications projects, western zone, in the department of telecommunications.



n Durante has been pointed executive vice-sident, marketing, of hindra & Mahindra d.



Vikram Modak has taken over as director, southwest Asia, of Intel Corp.



J.D. Ketkar has been appointed director, finance, of Thomas Cook India Ltd.



Tapas Gupta has been promoted as senior vice-president of Tara Sinha Associates.

G.V. Ramakrishna has taken over as chairman of the Securities and Exchange Board of India.

J.P. Sharma has been appointed chairman of The Hutti Gold Mines Company Ltd.

P. Chakrabarti has joined the Tashi group of companies in Bhutan as financial controller.

Douglas A. Evans and **Deepak Parekh** have been appointed additional directors of Mahindra & Mahindra Ltd.

Bipan Kapur has been appointed executive assistant manager, food & beverage, at The Oberoi Towers hotel.

R. Viswanathan has been appointed managing director of SBI Capital Markets Ltd.

Baijayant Panda has been appointed joint managing director of Indian Charge Chrome Ltd.

D.D. Avari has joined the board of directors of Creditcapital Venture Fund (India) Ltd.

A.T. Mehta has been appointed general manager, management systems, of Hindustan Petroleum Corporation Ltd. **J.P. Dalal** has been appointed general manager, internal audit.

Y.R. Trivedi has been appointed director, operations, of Indian Petrochemicals Corporation Ltd.

ASSOCIATIONS

Philip and **Venkutai Patil** have been cted president and e-president pectively, of the sociation of Indian nagement Schools.

hok C. Pratap has n elected executive e-president of the o-American Chamber Commerce.

P.P. Kharas and **Dilip Piramal** have been elected president and vice-president, respectively, of the Organization of Plastics Processors of India.

M.C. Agarwal has taken over as chairman of the Bombay chapter of the Indian Society for Training and Development.

Suman Shantaram Lad has been elected to the managing committee of the Indian Banks' Association, representing cooperative banks.

P.Y. Bhushan has been re-elected chairman of the All India Coffee Curers' Association.

Harish Mehta has been elected president of the National Association of Software and Service Companies.

Kapil Kumar and **A.V. Subrahmanya** have been elected chairman and vice-chairman, respectively, of the Indian Institute of of Materials Management, Bombay branch.

Senior executive positions

A compilation of executive jobs advertised in **Business India** other major publications between 27 August and 9 September 1

THE FOUR BEST JOBS

- MARKETING DIRECTOR * Delhi * *Sal* Rs.3 lakh pa + flat + car + perks * *Age/Qlfn* 40-48 years * MBA (Marketing) * *Reqd* Senior level marketing experience * *Cont* MDT/BPA/3281, B.P. Agrawal, Chairman, ABC Consultants Pvt Ltd, 43/3 Hazra Road, Calcutta 700019 (S - 2.9)
- MANAGING DIRECTOR * Madras * *Sal* NS * *Age/Qlfn* 45 + * NS * *Reqd* Commercial approach. Prior experience in shipping will be an additional qualification * *Cont* (Ref:MS/5560), E.A. Kshirsager, A.F. Ferguson Associates, Express Towers, Nariman Point, Bombay 400021 (BI - 3.9)
- GROUP MANAGING DIRECTOR * London * *Sal* Excellent * *Age Qlfn* NS * NS * *Reqd* Top management experience and leadershi qualities * *Cont* MS (5573) A.F. Ferguson Associates, Expres Towers, Nariman Point, Bombay 400021 (ToI - 3.9)
- CHIEF EXECUTIVE/PRESIDENT * Goa * *Sal* Negotiable * *Age Qlfn* NS * NS * *Reqd* About 20 years experience of which 5 years a a very senior executive/management level handling soft drinks, food products/consumer products with proven track record o sales and marketing * *Cont* The Director, Universal Beverage Limited, Moti Mahal, 3rd Floor, J. Tata Road, Churchgate, Bom bay 400020 (ToI — 27.8)

NATIONAL

- SENIOR MANAGER (MANUFACTURING) * NS * *Sal* Attractive + perks * *Age/Qlfn* 35-40 years * Mechanical engineers * *Reqd* 15 years experience in manufacture and commissioning of machine tools and equipment. Strong background in components manufacturing and assembly of machines is a must * *Cont* MS/5574, A.F. Ferguson Associates, P.B. 1786, Bombay 400001 (ToI - 3.9)
- FINANCE DIRECTOR * Bombay/Delhi * *Sal* NS * *Age/Qlfn* 40-50 years * CA * *Reqd* Knowledge/experience in finance, taxation, merchant banking, takeovers etc * *Cont* P.R. Krishnamoorthy, Bennett, Coleman and Co Ltd, Dr. D.N. Road, Bombay 400001 (ToI -3.9)

WEST

- GENERAL MANAGER (OPERATIONS) * Near Bombay * *Sal* Excellent * *Age/Qlfn* NS * Engineer * *Reqd* At least 15 years manufacturing experience in plastic processing industry * *Cont* KM/A-1305, Datamatics Staffing Services, P.B. No.106, GPO, Bombay 400001 (ToI - 3.9)
- PRESIDENT * Bombay * *Sal* Excellent * *Age/Qlfn* NS * NS * *Reqd* Reasonable experience in merchant banking. Division of managing large public issue of shares/debentures, liaison with institutions/banks * *Cont* V.R. Tibrewala, President, IFCM Counsellors, 104-B, Mittal Tower, Nariman Point, Bombay 400021 (ToI - 7.9)
- SENIOR MANAGER (INDUSTRIAL RELATIONS) * Bombay * *Sal* Excellent * *Age/Qlfn* NS * NS * *Reqd* 10-15 years experience with an excellent track record in a large or medium size industrial unit, preferably in engineering industry * *Cont* Box L 805-K, Times of India, Bombay 400001 (ToI - 27.8)
- FINANCE CONTROLLER * Bombay * *Sal* Attractive * NS * *Age/Qlfn* CA/MBA (With specialisation in finance) * *Reqd* At least 10 years experience in a reputed organisation * *Cont* The Advisor to Chairman, Rajasthan Spinning & Weaving Mills Ltd, Bhilwara Bhavan, Community Centre, New Friends Colony, New Delhi 110065 (ToI - 27.8)
- GENERAL MANAGER (COMMERCIAL) * Bombay * *Sal* Excellent * *Age/Qlfn* Around 40 years * Engineering graduates preferably with MBA/materials management * *Reqd* About 15 years relevant experience including at least 5 years at senior level * *Cont* MS/5570, A.F. Ferguson Associates, Post Box 1786, Bombay 400001 (ToI - 27.8)
- EXPORT MANAGER * Bombay * *Sal* NS * *Age/Qlfn* 35-40 years * Science graduates preferred * *Reqd* 5-7 years experience in handling pharmaceuticals, bulk drugs, veterinary products, health care products * *Cont* Director-Personnel, Wockhardt Limited, Poonam Chambers, Shivsagar Estate, Dr. A.B. Road, Worli, Bombay 400018 (ToI - 27.8)

NORTH

- GENERAL MANAGER * New Delhi * *Sal* NS * *Age/Qlfn* 35-40 yea * Science/engineering graduate, with a PG in management * *Re* 15 years experience in brand marketing of which at least 5 yea as a divisional/profit centre head * *Cont* Director (Personnel Dalmia Bros. Pvt Ltd, 1st Floor, Devika Towers, 6 Nehru Place, Ne Delhi 110019 (HT - 2.9)
- FINANCIAL CONTROLLER-CUM-SECRETARY * New Delhi * *S* NS * *Age/Qlfn* 35 years * CA/MBA, preferably with CS * *Req* Around 10 years relevant experience * *Cont* Box 404902, Hi dustan Times, New Delhi 110001 (HT - 5.9)
- VICE-PRESIDENTS (MARKETING) * Northern India * *Sal* NS *Age/Qlfn* 35-40 years * Preferably MBAs * *Reqd* Experience in ma keting for prominent suitings-shirtings manufacturers * *Cont* Th Advertiser, P.B. 19120, Worli, Bombay 400025 (ToI - 27.8)

SOUTH

- VICE-PRESIDENT (LEGAL) * Madras * *Sal* NS * *Age/Qlfn* Aroun 40 years * A degree in law * *Reqd* 15 years experience in a larg company of which at least 5 years in a senior level * *Cont* Pratibh Sheth, Executive Director, Shilputsi Consultants, P.B. No.938 Bombay 400026 (BI - 3.9)

OVERSEAS

- GENERAL MANAGER * Gulf * *Sal* Over Rs.30,000 pm + benefits *Age/Qlfn* Around 40 years * Engineer + MBA * *Reqd* At least 1 years experience, of which 10 years in marketing and distributio of branded consumer products preferably in allied product lines *Cont* MS/5575, A.F. Ferguson Associates, P.O. Box 1786, Bomba 400001 (ToI - 2.9)
- GENERAL MANAGER * Muscat * *Sal* Attractive * *Age/Qlfn* 35-4 years * MBAs/graduates with degree/diploma in advertising/jour nalism * *Reqd* 15 years experience in an reputed advertisin agency of which at least 5 years at senior management level * *Con* MCS/O/207, Price Waterhouse, 407 Padma Tower I, 5 Rajendr Place, New Delhi 110008 (ToI - 9.9)

Executive positions

TOI — Times of India; *IE* — Indian Express; *H* — The Hindu; *S* — Statesman; *HT* — Hindustan Times; *ET* — Economic Times; *Econ* — Economist; *BI* — Business India

ATIONAL

MANAGER DATA PROCESSING * Bombay * *Sal* Rs.1,25,000 pa + * *Age/Qlfn* NS * NS * *Reqd* 10 years managerial experience with a proven track record of sound man-management and good quality and cost control. Should possess a good background in large scale EDP operations * *Cont* SPZ-6, Special Advisor, PCS Data Products Ltd, 310/316 Raheja Chambers, Nariman Point, Bombay 400021 (ToI - 3.9)

COMMERICAL MANAGER AND SECRETARY * Faridabad * *Sal* NS * *Age/Qlfn* NS * CAs * *Reqd* At least 12 years experience, of which 8 years in managerial position * *Cont* Kelvinator of India Ltd, 28 NIT, Faridabad 121001 (ToI - 3.9)

GENERAL MANAGER (MARKETING) * Bombay * *Sal* Rs.1,50,000 pa + housing * *Age/Qlfn* 40 years * Mechanical/metallurgy engineer with MBA * *Reqd* Proven strength in industrial marketing to both OEMs and through dealer networks * *Cont* A.F. Ferguson Associates, P.B. 1786, Bombay 400001 (H - 5.9)

SALES MANAGER * Bombay * *Sal* NS * *Age/Qlfn* NS * Chemistry graduates/chemical engineers * *Reqd* 5-7 years experience in allied product line * *Cont* Box L 879-S, Times of India, Bombay 400001 (ToI - 1.9)

WORKS MANAGER * Ankleshwar * *Sal* NS * *Age/Qlfn* NS * Doctorate in chemistry or master's in chemical technology * *Reqd* 10-15 years experience * *Cont* Managing Director, Gujarat Lyka Organics Limited, 401-D, Poonam Chambers, Shivsagar Estate A, Dr A.B. Road, Bombay 400018 (ToI - 3.9)

MANAGER (TECHNICAL) * Patalganga, near Bombay * *Sal* Rs.95,000 pa + perks * *Age/Qlfn* Around 40 years * Graduate in chemical engineering * *Reqd* 15 years experience in operations and trouble-shooting in petrochemicals/fertilisers, refinery, chemical plants of which 5 years in senior managerial position * *Cont* Manager (P&A), The Bombay Dyeing & Mfg Co Ltd, DMT Plant, P.O. Box No.5, Patalganga 410220 (ToI - 3.9)

INDUSTRIAL RELATIONS MANAGER * Thane * *Sal* NS * *Age/Qlfn* 40-45 years * Pg/diploma in personnel management * *Reqd* 15 years experience in personnel function in a reputed company of which at least 10 years in industrial relations. Knowledge of Marathi is essential * *Cont* Manager HRD, Sandoz (I) Ltd, Sandoz House, Dr. A.B. Road, Worli, Bombay 400018 (ToI - 3.9)

PLANT MANAGER * Goa * *Sal* Negotiable * *Age/Qlfn* NS * NS * *Reqd* 10 years plant operations and quality control experience in the soft drinks industry * *Cont* Manager (P&A), Universal Beverages Ltd, Dempo House, Campal, Panjim Goa 403001 (H - 4.9)

PLANT INCHARGE * Baroda * *Sal* NS * *Age/Qlfn* 35 years * Plastic technologist or mechancial engineer * *Reqd* Around 12 years relevant experience in manufacturing in plastic industry * *Cont* CP/29, HRD Manager, Tube Investments of India Ltd, Tiam House, 28 Raaji Salai, Madras 600001 (ToI - 7.9)

INDUSTRIAL RELATIONS MANAGER * Hazira * *Sal* NS * *Age/Qlfn* Below 45 years * PG/diploma in personnel management and industrial relations * *Reqd* 15-20 years experience in handling industrial relations in a leading organisation * *Cont* HZW/159, Manager-Personnel, Group II, L&T, Powai Works, P.B. 8901, Bombay 400072 (ToI - 7.9)

MANAGER (INSPECTION & QC) * Hissar * *Sal* Good + housing * *Age/Qlfn* 35-40 years * Graduate in metallurgy/mechanical * *Reqd* 12 years of relevant experience * *Cont* MQAJ/CAL/4029, ABC Consultants Pvt Ltd, 6A, Middleton Street, Calcutta 700071 (ToI - 7.8)

- MARKETING MANAGER * Bombay * *Sal* Good * *Age/Qlfn* NS * Graduate/PG from any reputed textile institute with specialisation in drawing and spinning of man-made fibre * *Reqd* Knowledge of application of spinning lubricants and its chemistry is a must. Minimum 5 years experience in a plant manufacturing either filament or fibre * *Cont* Box No.16567, Worli, Bombay 400018 (ToI - 27.8)

OVERSEAS

- PROJECT LEADER (APPLICATIONS) * Hong Kong * *Sal* Rs.3-5 lakh pa + housing + airfare etc * *Age/Qlfn* 25-30 years * MBA/B.Tech degree from IIM/IIT * *Reqd* 3-5 years IT experience with at least 1 year leading 2-4 man teams. Exposure to project management. Experience in digital VAX computers, VMS, Lans and distribution, retailing or manufacturing systems * *Cont* Management Services Group, Marble Arch Apts, 9 Prithviraj Road, New Delhi 110011 (ToI - 2.9)
- MARKETING MANAGER * Malaysia * *Sal* Excellent * *Age/Qlfn* 35-40 years * Rubber technologist with degree/diploma in marketing/exports (IIFT) * *Reqd* 10-15 years experience, a major part in exporting rubber gloves and other hygienic products * *Cont* P.S. Chohan, President, AIMS Management Consultants, 42 Veer Nariman Road, Bombay 400023 (ToI - 9.9)
- EDP MANAGER * Indonesia * *Sal* Excellent * *Age/Qlfn* 30-35 years * Computer science engineer * *Reqd* 10-12 years proven experience in developing various kinds of systems/programmes for technical and commercial functions in large industrial undertakings * *Cont* P.S. Chohan, President, AIMS Management Consultants, 42 Veer Nariman Road, Bombay 400023 (ToI - 9.9)
- SENIOR CORPORATE DEALER * Dubai * *Sal* NS * *Age/Qlfn* Around 35 years * NS * *Reqd* Substantial experience in the dealing room and treasury function of a large bank. Must have spent at least 3 years in similar capacity in the Middle East * *Cont* A.F. Ferguson Associates (MS/557), PB 1786, Bombay 400001 (ToI - 9.9)
- PROJECT MANAGER * USSR * *Sal* NS * *Age/Qlfn* NS * Mechanical engineer preferably from USSR * *Reqd* Full command over Russian language and minimum 5-7 years industrial experience in operations and marketing * *Cont* Box No.450, Times of India, New Delhi 110002 (ToI - 31.8)

ABC's major specialisations include Corporate Consultancy

Organised Cost Reduction ● Technology Transfer ● Project Reports ● Operations Research ● Industrial Engineering

SWOT Analysis ● Systems & Procedure ● Business Negotiations ● Socio Economic Studies ● Computer Feasibility

PRESIDENT-Large Export House

Bombay

Rs 5 to Rs 10 Lakhs

The Company

One of the key players, with a growth rate of 30% in the field of **Chemicals & Pharmaceuticals,** has planned a massive export drive to USSR, USA, EEC and other countries for their **inhouse products** which are supported by contemporary technology, strong brand image and fresh investment of Rs 250 Crores.

The Career

The company has targetted an annual export sales volume of **Rs 500 Crores** by 1993-94 through direct exports and **joint ventures abroad.** They are, therefore, looking for an outstanding CEO to achieve these ambitious growth targets.

The Person

A high achiever with intimate knowledge of atleast one of 3 key export markets i.e. USSR/USA/EEC. Chemical Engineer + MBA in the age group 45-50 with top management experience of **high volume exports in chemicals** & allied fields will be ideally suited. Will be supported by **4 Country Heads** and enjoy considerable freedom of action.

Please establish contact with **B P Agrawal, Chairman** (Office 754947 ; Home 751318/6854) with detailed biodata & telephone numbers. All correspondence should be made through courier mail/speed post and the envelope & enclosures marked with job title & code LEH/BPA/3027.

ABC CONSULTANTS PRIVATE LIMITED

43/3, Hazra Road, Calcutta 700 019; Phone 754947

Data Processing ● Computer Software Packages ● Materials Management

Modern Group

needs

TOP NOTCH MARKETING PROFESSIONALS

Ours is a well established, reputed and fast expanding industrial group having 5 plants at different locations in Rajasthan. The present group turnover is to the tune of Rs. 150 crores which is likely to touch Rs. 300 crores in the next 3 years. For achieving our growth targets, we need extremely dynamic, result oriented marketing professionals for various group companies.

MODERN SUITINGS, ALWAR

President (Marketing) — **Posting : Alwar**
Age : Around 45 years

Modern Suitings manufactures and markets synthetic and worsted suitings. It has now gone into exclusive "AMADEUS" showrooms for sales of Synthetic and Worsted Suitings, readymade garments and accessories. The current turnover is Rs. 50 crores p.a. and is projected to be Rs. 75 crores by 1992-93.

President (Marketing) would be responsible for entire marketing of the above products including business of showrooms and also related advertising and sales promotion strategies. In brief, he would be responsbile for achievement of the ambitious growth targets in highly competitive environments. Candidates should be Graduates, preferably MBAs, with a minimum of 20 years track record in the same/similar trade out of which 10 years should be as head of the department.

Vice President (Exports) — **Posting : Bombay**
Age : 40 years

The incumbent would be responsible for coordinating the export activities of the company. Candidates should be Graduates, preferably with Diploma in Exports Management from a reputed institute with a proven track record of 15 years in the same/similar trade out of which 5 years should be as head of the department. Only those with house & telephone in Bombay need apply.

MODERN WOOLLENS, BHILWARA

Vice President (Marketing) — **Posting : Bhilwara**
Age : 40 years

Modern Woollens manufactures and markets woollen carpet yarn and shoddy yarn. The company has also set up facilities to manufacture worsted blended yarn in collaboration with world leaders in the field. It is now diversifying into wool processing and manufacturing wool tops. The present turnover is around Rs. 30 crores and is expected to touch Rs. 75 crores by 1992-93.

The incumbent would be responsible for marketing the company's products in a competitive environment. Candidates, should be Graduates, preferably MBAs with an outstanding track record of 15 years in the same/ similar field out of which 5 years should be as head of the department.

MODERN SYNTEX, ALWAR

Vice President (Marketing) — **Posting : Bombay**
Age : 40 years

The company manufactures and sells synthetic blended yarn and acrylic yarn. The present turnover of the company stands at Rs. 30 crores and is projected to be Rs. 60 crores by 1992-93.

The incumbent would be responsible for achieving the ambitious growth targets. Candidates should be Graduates, preferably MBAs, with a minimum of 15 years track record in a similar industry out of which 5 years should be as head of the department. Only those with house and telephone in Bombay need apply.

The company offers a challenging work atmosphere and outstanding pay packets to match the best in the industry with excellent perks too. Please apply in confidence within 10 days giving details of age, qualifications, experience, present salary, salary expected, contact telephone number and references to :

Executive Vice President (HRD)
Modern Group of Industries
709, Ansal Bhawan
16, Kasturba Gandhi Marg
NEW DELHI-110 001.

VICE PRESIDENT (FINANCE) -DESIGNATE

(MS/4959)

New Delhi **Excellent compensation including housing and car with driver**

A well known Indian company, which is part of a large international group headquartered in Europe, wishes to recruit a Vice President (Finance). The international company is a global giant and a leader in its own field of activity. The Indian company has a very successful track record and has several manufacturing facilities. The company has plans for expansion and diversification. Its financial performance has been very good and it offers a highly professional work environment.

The selected candidate would be responsible for the entire finance, accounts, taxation, MIS and EDP functions. He would also be responsible for secretarial matters, company law, FERA, MRTP, etc. As part of the executive committee of the company he would be involved in corporate decision making and he would report to the Managing Director.

Candidates should be members of either the Institute of Chartered Accountants of India or of England and Wales; preferably with a company secretary qualification. They should have around 15 years post qualification experience, of which 3 to 5 years should have been as independent head of the finance and accounts function of a medium to large sized manufacturing company with a progressive EDP outlook. Exposure to taxation matters would be necessary. The selected candidate should be a strong team player and should have worked in a highly professional environment.

The position would be 'designate' for a few months during which time he would overlap with the existing incumbent.

The company provides an excellent compensation package in line with the best practices in industry. The compensation package will not be a constraint to attracting the right candidate.

Preferred age: 40 to 45 years.

Please apply within 10 days to:

A F Ferguson Associates
Hansalaya
Barakhamba Road
New Delhi 110 001

giving full details of age, qualification, work experience, salary drawn and telephone contact numbers. All applications and envelopes must be marked with the **MS number**.

ABC's major specialisations include Corporate Consultancy • SWOT Analysis. • MIS • Operations Research • Industrial Engineering • Systems & Procedures • Project Reports • Data Processing • Materials Management • Organised Cost Reduction • Insurance Consultancy • Computer Feasibility • Software Packages • Socio-Economic Studies

VP/GM – MARKETING
Consumer Products/Durables

Madras **Rs. 2 lacs p.a. + House + Car**

Our client is part of a highly visible and professionally managed Group which has established itself as a leader in its product lines achieving a very high turnover. The Group has enjoyed an excellent corporate image across the country and is well known for its progressive outlook, product quality and marketing excellence. They are looking for a top flight marketing professional to head marketing & sales function in one of their companies involved in an exciting range of products.

Emphasis is on establishing widespread presence in the market through innovative & multipronged strategies covering advertising, product development, sales promotion campaigns and large scale distribution.

Our client is essentially looking for a high powered marketing professional with Business Management qualification from IIMs/XLRI or other reputed institutes. He should have excellent credentials in product management & field selling functions in large companies preferably multinationals. Should currently be heading the function on an All India/Regional level. Accent is on high degree of achievement orientation, excellent interpersonal skills and leadership qualities. Age Group: 35-45.

Please write to M Madhusudan, Director and mark the envelope & enclosures with job title & code VPG/MDS/30
or contact over phone at office.

ABC CONSULTANTS PRIVATE LIMITED
4, Khader Nawas Khan Road, Madras 600 006 Tel 470778

VICE PRESIDENT (MANUFACTURING) -DESIGNATE

(MS/4958)

New Delhi **Excellent compensation including housing and car with driver**

A large multinational group with headquarters in Europe and factories all over the world, wishes to recruit its Vice President (Manufacturing) for its Indian Company. The Indian Company is a leader in its field, professionally managed and financially sound. It has factories located throughout India and is currently undertaking a major modernisation and expansion programme.

The selected candidate would oversee the entire manufacturing function. He would be part of the top management committee and would report to the Managing Director. He would be responsible for the entire manufacturing function in its broader sense and would also be responsible for the commercial aspects of manufacturing. The Works Managers of the various factories in India would report to him.

Candidates should be graduate engineers from one of the premier institutes, preferably with a post graduate degree in management. They should have a minimum of 15 to 20 years experience in factory management in a process industry. They should be familiar with all aspects of factory administration including handling of labour. The selected candidate would be very strong in man management, a good team player and should come from a highly professional working environment.

The position would be 'designate' for a few months during which time he would overlap with the existing incumbent.

The company provides an excellent compensation package in line with the best practices in industry. The compensation package will not be a constraint to attracting the right candidate.

Preferred age: Around 45 years.

Please apply within 10 days to:

A F Ferguson Associates
Hansalaya
Barakhamba Road
New Delhi 110 001

giving full details of age, qualification, work experience, salary drawn and telephone contact numbers. All applications and envelopes must be marked with the **MS number**.



Beauty Cosmetics offers you an opportunity to redefine the Cosmetics Market. As their:

VICE PRESIDENT

M A R K E T I N G

"A marketing hotshot. Market maker. And every once in a while, when his vision takes concrete shape, the market place applauds with the ringing of cash registers."
— Business World

That is exactly the kind of profile Beauty Cosmetics is looking for. To lead a team of professionals. And take independent control of their marketing operations. To make their wide-selling Chik range of shampoos sell wider. And take it from No.2 position in the South to a brand that will command an all-India market.

Beauty Cosmetics is a multi-crore company poised for quantum leap in the 90's with new varieties of shampoos. And a host of personal care products.

An MBA from a premier institution with 10 to 12 years' experience in marketing consumer products are prerequisites. But more than everything else he must possess a burning desire to rewrite marketing history.

Compensation package is designed to attract the best in the industry.

Write in confidence within 15 days with complete resume, superscribing the envelope "VP(M)" to:

C.K. Ranganathan,
Managing Director,
Beauty Cosmetics Pvt. Ltd.,
15, I Floor, 8th Street,
Dr. Subbarayan Nagar,
Madras-600 024

Beauty Cosmetics

CP/BC/019/90-ENG

VICE PRESIDENT - MARKETING

Consumer Products

Bombay

Excellent remuneration package including housing

A leading multinational consumer product company which is expanding and diversifying seeks to strengthen its senior management team by appointing a Vice President – Marketing, reporting to the Executive Director. The company is a market leader, profitable and professional in its approach.

Correspondence is invited from high flying successful marketeers who have shown their abilities in a challenging professional environment. An MBA from a leading business school plus at least 10-12 years experience would be required.

Preferred age: 33-38 years.

The remuneration package is generous.

Please write (ref: MS/5563) in confidence to:

A. F. Ferguson Associates
Post Box 1786
Bombay 400 001

Empire Finance

Empire

GENERAL MANAGERS

North **South** **East**

As a non-bank finance company Empire Finance over a short period has established a track record matched by only a few in the country. Starting off with Lease and Hire Purchase it has gone into other areas in financial services i.e. Trade Finance, Merchant Banking and Consumer Finance. It plans to launch a few more new products strictly in financial services areas within a few months. Headquartered at Bombay, Empire wants to regionalise its operations in the East, North and South. In the South it has branches at Madras, Bangalore and Hyderabad. Its presence in the East and North will start with regional offices at Calcutta and Delhi. The Company is looking for General Managers to run the regions (Calcutta, Delhi and Madras or Bangalore) strictly as Profit Centres reporting to the Managing Director.

Aside from a sound educational background and a wide exposure in financial services, the candidates must possess adequate organisational ability to build up a strong business presence. Obviously, a matching compensation package will be offered. Please write in strict confidence to:

Managing Director
Empire Finance Co. Ltd.
414, Senapati Bapat Marg
Bombay 400 013

SANGHI POLYESTERS LIMITED

We are a Progressive, Professionally Managed, Multi-Crore, Multi Product Group of Industries near Hyderabad. Our POLYESTER FILAMENT YARN, 15,000 TPA Project is under implementation with latest high speed spinning technology for continuous polymerisation from a world renowned manufacturer in South Korea. The plant and machinery is from Japan. We require:

GENERAL MANAGER : 3 Posts (Technical, Marketing, Materials)

The incumbents will be given full charge for independently managing each area of operation. These are outstanding opportunities in General Management offering excellent prospects of career development for candidates with relevant qualifications and experience in their field. Experience in PFY projects is preferable. They will be reporting directly to DIRECTOR.

MANAGERS : 15 Posts

The positions are in the Senior Management Cadre offering an environment of challenge and responsibility to young professionals in all areas of operations namely, Sales, Purchase and Stores, Production (Polymerisation & Spinning), Packaging, Civil-Mechanical-Electrical Instrumentation, Quality Control, Research & Development. They will be reporting to General Managers in their field of operations. Relevant PFY project experience with suitable qualifications preferred.

SHIFT ENGINEERS / INCHARGES : 30 Posts

Qualified, Experienced Engineers - Chemical, Mechanical, Electrical, Instrumentation OR Post Graduates / Graduates in Science required for

- Operation & Maintenance of Utilities like Refrigeration, Air-conditioning, Water Treatment Plants, Air Compressors, Oil Fired Boilers etc.,
- Operation and maintenance of Chemical Process Plants and Equipment.
- Operation of Poly Condensation Plant by Chemical Engineers with experience / exposure to Continuous Polymerisation.
- Operation of High Speed Spinning Texturising / Twisting Sections by Chemical / Textile Engineers having working experience in melt spinning / drawing operations of Polyester Synthetic Fibre / Filaments.

SHIFT SUPERVISORS

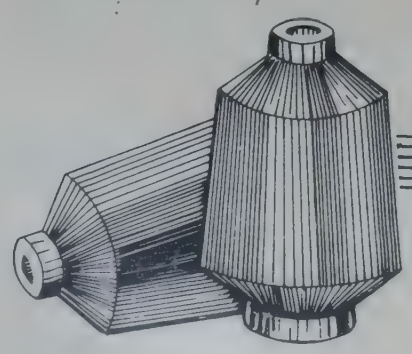
Graduates in Science / Diploma Engineers with experience for 3-5 years in Production, Maintenance, Quality Control in PFY projects preferred.

OPERATORS

ITI or Equivalent or Experience for 3-5 years in Production, Maintenance, Quality Control in PFY projects preferred.

While our PFY Project offers an exciting milieu of lucrative growth per se, the right candidates can look forward to associating with a Group that is poised to diversify into newer thrust areas like Petro Chemicals etc.

Remuneration and perks commensurate with experience and qualifications. Apply with complete bio-data and passport size photograph to :



THE DIRECTOR
Sanghi
SANGHI POLYESTERS LIMITED 4-3-352, Bank Street, HYDERABAD-500 195.

Upcom

Upcom Cables Ltd

UPCOM Cables Ltd., an RPG Enterprise, a joint sector project with PICUP, an organisation of the UP State Government, situated at Rae Bareilly, UP, manufactures high-reliability, moisture-proof jelly-filled polythene telephone cables.

Upcom requires:

GENERAL MANAGER - FINANCE

Location : Lucknow

Attractive salary with all senior management perquisites

The incumbent will report to the President and will have overall responsibility for managing Finance and Accounts functions. The thrust will be on efficient management of financial resources and net current assets, as also commercial acumen in all aspects of sales and materials functions. Ability to conceptualize and implement sound financial systems will be essential.

The ideal candidate will be a Chartered Accountant/ MBA-Finance, in the age group of 38-45 years, with similar experience in reputed organisations.

The compensation package will be handsome and negotiable. Good retirement benefits and all other standard perquisites will be available.

Please write in strict confidence with detailed bio-data to:

Vice President - Human Resources
RPG Enterprises Ltd.
463, Dr. Annie Besant Road
Bombay 400 025.

RPG ENTERPRISES

CHHATTISGARH DISTILLERIES LTD.

The Kedia Group

We are a multi-crore group, manufacturing and marketing all over India, high quality liquor under the brand names India No.1 Whisky, Palm Beach Whisky, Plaza Whisky, Red Indian Rum, Iceberg Gin, Honey Drops Brandy and many others.

We are very rapidly expanding, for which we require the following personnel in Bombay:

GENERAL MANAGER — CORPORATE PLANNING

Should be a very senior bureaucrat or similarly experienced in a large industrial house. An experience of 20 to 30 years required preferably in Corporate Planning, Financing, Marketing and negotiations of industrial agreements and contracts.

Candidates drawing less than Rs.1 lakh per annum need not apply.

GENERAL MANAGER — PRODUCTION (Bhilai, Indore)

Will be in charge of manufacturing of I.M.F.L. and ensuring high standards of quality and efficiency. Should be an Alcohol technologists, with 15 to 20 years' experience, in distillation of Rectified Spirit and extra neutral alcohol.

Those drawing less than Rs. 75,000/- per annum need not apply.

GENERAL MANAGER — FINANCE

This is a very senior management position in the team of the Vice Chairman. Involves responsibility for managing the Finance & Accounts functions. Besides, normal responsibilities, the thrust areas will be project evaluation, taxation, company law and ability to administer effectively.

Candidates must be M.B.A. (Finance)/C.A./I.C.W.A. plus Company Secretary. Should be a high calibre Finance Professional with minimum 15 years experience and proven track record. And should be about 40 years of age.

Those drawing less than Rs. 1 lakh per annum need not apply.

DEPUTY FINANCE CONTROLLER

A senior management position reporting to G.M. — Finance. Will be in charge of day-to-day management of Finance & Accounts. He should be a C.A./I.C.W.A. with minimum 7 years experience.

Those drawing less than Rs. 75,000/- per annum need not apply.

MANAGER — VICE CHAIRMAN'S OFFICE

The incumbent should have atleast 8 years of senior level experience in Marketing, Finance and corporate planning. A brilliant M.B.A. with specialisation in Marketing & Finance or a C.A. Should be below 35 years old and well settled in Bombay.

Should have analytical ability with exposure to E.D.P. information systems to design M.I.S. Would convey decisions/instructions and ensure their implementation.

MARKETING MANAGER

This is a senior position. The job involves formulating sound marketing plans & strategies to support the sales team. The incumbent should be M.B.A. with 10 years experience in Consumer Marketing preferably in liquors.

The company offers excellent growth potential and remuneration the best offered in the country, which will commensurate with experience and ability.

Apply in confidence to:

The President,

Kedia Group of Distilleries,

604/605, Keshav Bldg., 6th Floor, Bandra - Kurla Complex, Bandra, Bombay 400 051.

Please mention the post applied for on the envelope.

Harrisons Malayalam Ltd

requires

GENERAL MANAGER - COMMERCIAL

Location : Bangalore

Attractive salary with all senior management perquisites

Harrisons Malayalam Limited, with extensive operations in rubber, tea, coffee and spices, has diversified into the area of bio-technology. The company is poised to produce and market a wide range of hybrid seeds and plant tissue culture products based on proprietory technology, in collaboration with leading companies of Europe and USA.

The General Manager - Commercial will be in overall charge of the commercial functions of the Biotechnology Division, which will include finance, accounts, purchase and materials as well as liaison with various State and Central Government institutions.

The ideal candidate should be a Chartered Accountant, with a good financial background and with experience in buying and selling of agricultural products, viz, oil seeds, tea, coffee, commodity seeds, etc. Experience in industries associated with consumer products, food products, edible oils and oil seeds business, plantations, as well as existing seed companies, would be a definite advantage.

Preferred age group: 35-40 years.

The company has ambitious plans to achieve stiff business targets and hence the General Manager - Commerical would be participating in a unique endeavour to build a large profit centre in the core sector of the economy.

Excellent opportunities exist for rapid career growth. The compensation package will be on par with the best in the industry.

Please apply in strict confidence with a detailed resume to:

Vice-President - Biotechnology
Harrisons Malayalam Ltd.
Centenary Bldg., 3rd floor, East Wing
28, M.G. Road
BANGALORE: 560 001.

Upcom
Cables Limited

requires

GENERAL MANAGER

COMMERCIAL

(Lucknow)

UPCOM Cables, an **RPG ENTERPRISE,** has been jointly promoted by CEAT LIMITED and PICUP, of Uttar Pradesh State Government, to manufacture polyethylene insulated jelly filled telecommunication cables.

The incumbent will report to the Chief Executive Officer and will have complete responsibility for evolving and operating sound financial and commercial controls. These responsibilities will include finance and accounts, budgeting and MIS, project assessment and funding, EDP management, co-ordination of all matters pertaining to excise and taxation, including liaison with government/statutory authorities. He will play a pivotal role in ensuring that the company meets its growth and profitability targets.

We are searching for a Chartered Accountant, with the ability to conceptualise and implement sound systems, and who has at least 10 years similar experience, of which 4 years are at a comparable level in the finance and commercial function of a reputed company. Exposure to computers will be an advantage. Preferred age around 40.

Remuneration is very attractive for the right candidate.

Please apply in strict confidence to:

Vice-President – Group HRD
RPG Enterprises
463, Dr. Annie Besant Road
Bombay 400 025.

RPG ENTERPRISES

SUNDAY MAIL

SUNDAY MAIL is part of a large industrial group which is highly diversified and has plans to reach a turnover of Rs. 1000 crore by 1992. Sunday Mail is the only weekly English paper to be published simultaneously from Delhi, Bombay, Calcutta and Madras. **SUNDAY MAIL** (English edition) is targetted at the **UPMARKET, METRO** audience and provides an exciting package of leisure reading to its subscribers. It also has Hindi editions, currently published from Delhi and Calcutta aimed at intensive penetration of the Hindi speaking belt. Poised on the threshold of a major expansion it needs a:

GENERAL MANAGER – MARKETING

NEW DELHI

ATTRACTIVE SALARY + CO.HOUSE + CAR & DRIVER + TOP MANAGEMENT PERKS

The selected incumbent will have integrated responsibility for ensuring the achievement of **SPACE SALES TARGETS** and **ADVERTISEMENT REVENUES** of the Company. He will be backed by a large hand picked national sales team operating through 5 regional offices across the country. He will have to formulate, implement and monitor sound marketing strategies to progressively enhance the Company's market shares/revenues.

Applicants should be top notch marketing professionals capable of **MOTIVATING AND LEADING** a strong national sales team. They should be **MBA**s with an outstanding track record of marketing accomplishments and **CONCEPT SELLING** with an experience of around 10-12 years in well managed Companies. Exposure to the Publishing Industry will be desirable. Preferred age is around 35 years.

Please apply within 7 days, superscribing position on the envelope to:

P.S. Ajjan, General Manager – Personnel,
Dalmia (Bros.) Pvt. Ltd.,
2nd Floor, Indraprakash, 21 Barakhamba Road,
New Delhi-110 001

GOYAN

Shilputsi

SHILPUTSI Consultants have been retained by a large, professionally managed company to recruit

GENERAL MANAGER WORKS

for a Chemical Plant, involved in the manufacture of Agro-chemicals. The plant is located in Southern India and is a part of the total diversity of the company.

The Job: Responsibility for all functions related to manufacturing processes and support services, including Pollution Control and Environment Protection. Will be required to liaise with R&D, Quality Control, Marketing and Commercial functions for optimizing installed capacities.

The Person: Chemical Engineer. Post Graduation in Chemical Engineering/Allied fields or in Business Administration will be added qualifications.

A minimum of 15 years' experience in Chemical Industry, preferably in Organic Chemicals or Petrochemicals, of which at least five years must have been in Senior Levels of Management.

Age: Around 45 years.

Apart from an attractive compensation package, the position offers excellent opportunity for personal growth through expansion in areas of responsibilities.

Please apply in strict confidence to:

Mr. Tarun Sheth
c/o **SHILPUTSI CONSULTANTS**
Post Box No. 9386
Bombay 400 026.

GTC INDUSTRIES LIMITED

The **DALMIAS** are a diversified industrial conglomerate with interests in cigarettes, paper, dairy products, chemicals, telecom, resorts, advertising and film production, besides other products. Projected group turnover for 1992 is Rs. 1000 crores. **GTC INDUSTRIES LTD** is the flagship company of the Group and is poised on the threshold of a major expansion. **GTC**, with a present market share of around 21% and a current turnover of Rs. 212 crore, recently launched Burton, a brown cigarette, besides Ms, the pioneering brand for women. The Company's future plans envisage major export volumes, a 10% share of the Kingsize market and further additions to its product range. The Company is looking for high calibre Sales and Marketing personnel at different locations.

GILT-EDGED CAREER OPPORTUNITIES FOR PEDIGREED SALES AND MARKETING PROFESSIONALS

SALES

GM Sales – Delhi
Sales Managers – Delhi/Calcutta
Asst. Regional Managers – Jaipur/Bangalore

KEY RESULT AREAS

- Sales Management
- **Customer Satisfaction**
- Sales Targets
- Sales Revenues
- Management of Dealer Network
- Territory Development.

MARKETING

Marketing Manager – Delhi
Product Managers – Delhi
Market Research Manager – Delhi

KEY RESULT AREAS

- Marketing Management
- Marketing Strategies
- Product Positioning
- Communication Strategies
- Opening New Markets
- Market Research Studies

Respondents should have a good basic degree, preferably supplemented by a Management qualification. Must have a track record of outstanding Sales/Marketing achievements in very competitive environments, in well managed Companies. The Company has a climate which stimulates excellence in performance and offers opportunites for rapid career progression. The compensation package is designed to attract and retain the best professional talent available in the industry. Apply with a detailed résumé within 10 days, to:

P.S. Ajjan, General Manager – Personnel

Dalmia (Bros.) Pvt. Ltd.
2nd floor, Indraprakash, 21, Barakhamba Road,
New Delhi 110 001

Kindly mention the position applied for on the application and on the envelope.

GTC INDUSTRIES LTD.

GOVAN/GTC/2112/90

Lokmat

Lokmat, a leading newspaper group in Maharashtra and publishers of Lokmat (Marathi) from Nagpur, Jalgaon, Aurangabad, Ahmednagar and Nasik, Lokmat Samachar (Hindi) from Nagpur, Lokmat Times (English) from Aurangabad and Lokmat Comics (Marathi & Hindi Weekly) from Nagpur. The group now requires the following senior finance personnel.

FINANCE MANAGER

Aurangabad
NS/P/175

Very attractive remuneration

The incumbent who will report to the Managing Director, will be responsible for all aspects of finance and accounting including management of working capital, budgetary control system, taxation, management information system, company law, etc.

Candidates should be chartered accountants with at least 8-10 years' relevant experience, preferably in an organisation with computerised systems.

MANAGER – MANAGEMENT ACCOUNTS

Nagpur
NS/P/176

Very attractive remuneration

The incumbent, will report to the Finance Manager and will be responsible for management reporting and controls.

Candidates should be chartered accountants with at least 4-5 years' experience in reputed organisations. They should have exposure to computerised systems.

In addition to an attractive remuneration package, Lokmat offers excellent growth prospects and a very congenial working environment. Please apply within 7 days, giving full details of age, qualification, experience and salary drawn, marking the envelope with the relevant Ref. No., to:

N.A. SHAH ASSOCIATES
4, Sailor Building,
373, D.N. Road,
BOMBAY-400 001.

CLEA

N.A. Shah Associates

An exceedingly well-known group in the communication industry wishes to strengthen its senior level organisation structure. The group has ambitious plans for expansion and diversification. It is multilocational in India and professionally run. It offers challenging career progression opportunities based on performance. The group is highly market driven in its orientation; and has a successful marketing track record.

MARKETING MANAGER

(MS/4960)

Delhi **Excellent compensation package**

The company plans a major diversification into the mail order business and has significant strengths in this area.

The Marketing Manager would be responsible for developing and running the mail order business as a separate profit centre in the company. He/she would be responsible for identifying opportunities, growth and overall image of this new activity. The critical function that will contribute to the success of this venture would be marketing, vendor development and quality assurance.

Candidates should be MBAs, preferably with engineering qualifications, with around 8-10 years experience out of which atleast 5 years should be in consumer marketing in highly professionally managed consumer marketing companies.

Preferred age : Around 35 years

SYSTEMS MANAGER

(MS/4961)

Delhi **Excellent compensation package**

The Systems Manager would be overall incharge of the systems group. The company has a mini and a large number of PCs. It has plans for networking of its hardware at different locations. The manager will be responsible for the development of on-line systems.

Candidates should be engineering graduates or post graduates in Computer Science with around 10 years of experience in the computer industry.

Preferred age : Around 35 years

Please apply within 10 days to :

A F Ferguson Associates
Hansalaya
Barakhamba Road
New Delhi 110 001

giving full details of age, qualification, work experience, salary drawn and telephone contact numbers. All applications and envelopes must be marked with the relevant **MS number.**

NODE

Northern Digital Exchanges Limited

NODE — a pioneer in the field of Telecommunication with a growth rate of 125%, having been promoted by Ballarpur Industries Ltd (BILT) a flagship Company of THE THAPAR GROUP with a turnover of Rs. 560 crores, and Punjab State Industrial Development Corporation (PSIDC), offers complete solution to the customer's Communication/ Office Automation problems. NODE has technical collaboration with M/s OKI Electric Industry Co. Limited, Japan, a world name in electronics. NODE is located at S.A.S. Nagar, a leading Electronic Township near Chandigarh and is currently engaged in production of a wide range of EPABX systems and diversifying into manufacture of Fascimile Terminals and other Office Automation Equipment.

NODE requires following personnel at senior levels, who can lead a team of dynamic result oriented young managers.

WORKS MANAGER

A technocrat in the age group of 35-40 years, with proven managerial experience of 12-15 years in electronics or light engineering industry of repute will fit our slot. He must have the ability to motivate and carry a dynamic team through meaningful coordination with departmental heads.
Reporting to Chief Executive, his area of responsibility entails an overall control of Manufacturing, MPC, PPC, EDP, Testing, Purchase, Stores, Vendor Development, Administration and Liaison with Govt, Agencies like DOE, DGTD etc.

DY./ASST. MANAGER (COMMERCIAL)

The candidate should be 30-35 years of age, a graduate in Engineering preferably with Post Graduate qualification in Materials Management having strong techno-commercial skills. He should have 6-8 years relevant experience with 2-3 years in a senior capacity.
He will be responsible for procurement of material, imports,stores,despatches of finished goods,excise & custom dealings.

The Company offers excellent emoluments and benefits which are inline with the best in the Industry and will not be a constraint for the right candidate. The applications should reach the undersigned within 15 days giving full details :—

The Chief Executive
Northern Digital Exchanges Limited
B-97, Phase VIII, Industrial Area,
S.A.S. Nagar (Mohali) 160 059

The Thapar Group

INTERADS/CH

The Berlin wall wasn't the only European barrier to fall last year!

In Germany, France, Belgium, Italy, the Netherlands, the UK and Switzerland another kind of change swept over.

In these countries, an Indian company, in its very first year, exported over 50 percent of the yarn it manufactured.

A company as Indian as Indo Rama, manufacturer of the finest quality yarn in the country. Spun at a 25,344 spindle plant that is equipped, quite naturally, with the very finest in machinery. Manufacturing yarn that is electronically-cleared, spliced, knot-less and contamination-free.

And while premium Europe welcomes India, we allow ourselves a small smile.



After all, we have the entire future to look forward to. And many more yarns to spin!

INDO RAMA
SYNTHETICS (I) LTD.

We / have / only / scratched / the / surface

Sure. We were the first Indian company to introduce Japanese machine tools to India. But today, we are the first to transfer CNC technology back to the electronics Goliath.

SURE

June 1990. Welcome to history.
ectronica becomes the first Indian company to
ansfer Computer Numerically Controlled machine
ol technology to Japan.

The buyer? Mechtro Joban International Co. Ltd., Japan. A highly diversified, ¥5 billion corporation having hard core expertise in packaging, fuel distribution and tourism. The conglomerate signed up with us for our Electric Discharge Machine (EDM) and Computer Numerically Controlled Wirecut EDM designs.

Before the contract was sealed however, our engineers worked at understanding the foreign environment. Consequently the accompanying software is being specially designed to suit Japanese requirements. Just another sure sign of meeting our commitments...

But it all really began in 1973.
In a small shed tucked away in the suburbs of Pune city.

Electronica. A name you've probably never heard before.

That year, award-winning scientists Ravi and Prakash Ratnaparkhi, and Shrikant Pophale founded the Electronica Group with the purpose of manufacturing EDMs in India. Brilliant men, they lent their character to the business: constantly innovating, hard working, highly motivating. Shying away from publicity.

Which is the reason you've probably never heard of us – a lean, dynamic group , an Indian pioneer of mechatronics, a behind-the-scene force that has stepped into the limelight.

Success. It doesn't depend on size. Simply the will to create it – again and again. The facts and figures below speak for themselves.

We were the first to introduce EDMs, Digital Read-Out Systems, CNC Retrofits, CNC Wirecut EDMs and Linear Scales in India.

We are leaders with dominant market shares in EDM, CNC Wirecut EDM, DRO, and CNC Retrofit systems.

We were the first and are today leading exporters of CNC machines.

We have been associated with world leaders for the latest, most relevant technology – Mitsubishi, Mitutoyo, Komatsu, RSF...

We deliver value-for-money. As such, we give service high priority. A separate company handles pre- and after-sales. Our national network spans 11 cities, employing over 60 service engineers.

But behind all our achievements stands a loyal, 5000-strong customer base. It is their belief and trust in our capabilities, that has been our mainstay. Today, Electronica can proudly call itself the single source for both machine tools and electronics.

Sure. We've succeeded magnificently. But we've only just begun....

SUCC

Sure Success. That's the way we see your career growth in Electronica. Come, join our force and help create our next success.

Today, we're on the look-out for firebrands willing to fight for further market shares, and grow with us.

Talking of growth, the Electronica Group has advanced from a Rs. 3 crore to Rs. 17 crore turnover in the last 5 years, that is at an average of over 90% every year. What adds a new dimension to these figures, is that they result from growth through diversification, and not just from existing projects. (Which means you have more of a chance to develop your career without coming up against old, entrenched dons.) We've projected growth too – a high 40% per annum, mostly from projects to be set up before 1992.

Let's discuss degree of independence. At Electronica, you can breathe easy. According to Col. Kumar, a consultant for over 10 years, "It's incredible how Electronica, though a small concern managed by men without a formal business background, has nurtured a core of dedicated professionals working without the usual interference. I've yet to come across an example like this, elsewhere in India." Got the picture?

It's simple really. Our organisation structure is clear cut. Everyone knows what his or her job is, their role in the company, and the goal ahead. You do your bit – you're rewarded. You don't – you're not. That's what makes it simple. And highly professional.

The concept of organisational renewal is not new to us – consequently, we try, through introspection, to pull up our socks. And get into fighting fit shape again.

Coming down to business, what sort of people are we looking for? We stress on the word 'people' because recruitment for us is not filling a vacant post – but inviting persons to contribute their talents to a winning team.

Come, join us.....

BUSINESS GROUP HEADS

You're an intrapreneur which means you will handle all operations independently from concept to completion. And you know enough about dealing with individuals to weld a dynamic team. We suspect you're between 35 and 40, and don't have enough scope to grow in your present set up. A few years' experience in the machine tool, engineering, or electronics industry would stand you in good stead.

FUNCTIONAL HEADS

You're creative in your outlook and a specialist in your field – R & D, materials, finance, quality control, sales, manufacturing. You want to get ahead, faster than most. This could be your successful break.

Besides being able to manage people, understand the intricacies of the bottom line, and have the spirit to experiment; you'd have to satisfy us on one important recruitment criteria for both the openings – Demonstrated Performance. Work, not words, is what impresses us.

If the single fact that we're taking on Japan gives you an idea of the exciting atmosphere building up here, plus you want a slice of history – call us. And take your sure step to success.

Write enclosing your biodata and salary expectations within 15 days, to : Mr P.K. Ratnaparkhi,
Executive Director.

ELECTRONICA
GROUP OF COMPANIES
Single source for machine & electronics

Elektra Chambers, 44, Mukundnagar, PUNE 411 037.
Tel: 422013 Tlx.: 0145-432 EDM IN Fax : 0212-443532

DROS ■ EDMS ■ CNC WIRECUT EDMS
■ CNC MACHINE TOOLS ■ CNC RETROFITS
■ LINEAR SCALES

CESS.

TATA
KELTRON

WORKS MANAGER

PALGHAT

**Attractive salary +
House + Car + Perks**

Tata Keltron Limited is a joint sector company between the Tatas and Kerala State Electronics Development Corporation and is managed by the Tatas. The company is about 3 years old and manufactures Electronic push-button telephones with Siemens collaboration.

The factory is situated near Palghat on Coimbatore-Palghat highway and is spread over 6 acres of land with a built-up area of 3000 square metres. It employs both labour intensive and automated assembly lines. Future expansion plans include manufacturing of Telephone answering machines, Cordless telephones and manufacturing of high volume electronic goods for exports.

The turnover of the company last year was around Rs. 11 crores and is expected to go up to Rs. 20 crores this year. To handle this increase in manufacturing activity the company is on the look out for a Works Manager.

The candidates should be Mechanical or Electronics Engineers from reputed institutes preferably with a post-graduate qualification in IE. They should have experience in supervising manufacturing activities either in electronics or light engineering industries.

The job calls for effectively leading a team of engineers and supervisors dealing with production management, plant engineering and Industrial Engineering. Preferred age : 35-40 years.

Besides an attractive salary,perks include company leased accommodation, telephone and car with driver. Annual benefits include PF, superannuation, group accident insurance, LTA, medical, soft furnishing allowance, etc.

Please apply in confidence giving full details within 7 days (marked MS/5142) to

A.F. Ferguson Associates
115 Dickenson Road
Bangalore 560 042.

TATAFONE

MARKETING CHALLENGES high-tech...hot paced

Larsen & Toubro Limited, India's leading multi-dimensional engineering organisation, is poised for accelerated growth in key high priority areas. The Company's heavy engineering capabilities (under Group II) are established to provide machinery and systems of international standards for India's core sector. Plans are now underway to manufacture and market turbo-machinery and new energy related systems with specific application to petrochemicals, fertilizers, oil and gas and other process industries.

Marketing operations for these diversified product lines are to be carried out through new divisions. Divisional heads will be responsible for attaining budgeted sales volume, securing market share of the product lines in their charge and budgeted profits through an all-India sales network.

Divisional Manager

TURBO-MACHINERY

The Company foresees exciting business potential in turbo-machinery related systems. Collaboration arrangements with leading international organisations in turbo-machinery have already been concluded.

Product lines will include high pressure centrifugal compressors, axial compressors, centrifugal expanders and other turbo-machinery. The range will focus on large capacity and high pressure turbo-machinery for the fertilizer, petrochemical, steel, oil and gas and other process industries.

We are looking for a professional well versed with the industry who can take charge of the marketing activities of these product lines. He should be able to establish the Company's presence in a competitive market.

Qualifications : Degree in Mechanical or Chemical Engineering.

Experience : 20 years in dealing with turbo-machinery. At least 5 years should have been as a marketing manager with a leading engineering organisation dealing in similar products. Persons with experience only in selling reciprocating or small size turbo-machines need not apply.

Ref. No. Mktg/6

Divisional Manager

● COMBINED CYCLE / COGENERATION PLANTS
● NEW ENERGY PRODUCTS AND SYSTEMS

Rapid business growth in this area is estimated on a high level of likely investment. The Company's capability to adopt high technology in the field of energy is certain to help it secure a dominant market position.

Our new product lines include equipment and systems for combined cycle/cogeneration power plants, turbine exhaust waste heat boilers, gas and steam turbines, fluidised bed boilers, ESP, dry cooling towers and piping systems. Collaboration agreements with world leaders in these product lines have already been concluded.

Successful candidate should have marketing and engineering exposure in one or more of the activities involving combined cycle/ cogeneration plants, thermal power plants, boilers and waste heat recovery systems and turbines. He should be able to secure business by identifying the requirements for such equipment in large size projects.

Qualifications : Degree in Engineering.

Experience : 20 years in marketing and engineering of energy related systems to large size power projects and process plants.

Ref. No. Mktg/7

FOR BOTH POSTS

***Age :** below 45 years.*

These are key marketing and business development positions. Selected persons should possess a pleasant personality and excellent engineering, commercial and communication skills. Those possessing additional qualifications in Business Management/Marketing Management preferred.

In view of the sophisticated technology that the products incorporate, we could also consider persons with previous exposure to related fields such as design, application and systems engineering, manufacturing and project engineering. Flair for marketing and knowledge of tendering, evaluation of bids and project financing would be essential.

Salary and perquisites would match the best in the industry and will not be a limiting factor. Company accommodation may also be considered for outstation candidates. The positions are based in Bombay.

Apply within 15 days, stating age, details of qualifications, experience, salary drawn and expected, quoting Ref. No. indicated against post ON APPLICATION AND ENVELOPE to Manager – Personnel, Group II :

LARSEN & TOUBRO LIMITED

Powai Works, Post Box 8901, Bombay 400 072

L&T/ADV Dept

WORK FOR A COMPANY THAT WON'T LET YOUR QUALIFICATIONS DISQUALIFY YOU.

Are you a technical whiz-kid at servicing electronic hardware?
Or a super salesperson who doesn't need an engineering degree?

indchem
Office Automation/
Telecommunications
Medical Electronics
Industrial Automation

Electronic solutions from man to machine.

Make a career with INDCHEM ...

- The company with the broadest spectrum of products in the professional electronics industry.
- The group with a growth rate of about 100% over the past five years.
- The group with profit centres in the areas of Medical Electronics, Industrial Automation, Office Automation, Telecommunications and Software Export.

Apply for positions, in Sales or in Service, at the following levels:

MIDDLE MANAGEMENT
(MM/IND/SERVICE) or (MM/IND/SALES)

You should be 26 – 30 years old, with a B.Sc./M.Sc./B.E. degree (preferably in Electronics). An MBA would be an added advantage. 6 – 8 years of relevant experience in the electronics industry is a must.

JUNIOR MANAGEMENT
(JM/IND/SERVICE) or (JM/IND/SALES)

You should be 22 – 25 years old, with a B.Sc./M.Sc./B.E. degree (preferably in Electronics). An MBA would be an added advantage. 1 – 4 years of relevant experience in the electronics industry is a must.

The remuneration will be comparable to industry standards and the openings will be in any of INDCHEM's divisions keeping in mind the preference and exposure of the applicant.

ARCON Consultants have been retained by INDCHEM for the selection process. Apply (superscribing position code on the envelope and application) indicating the division of your choice, within 10 days to:

ARCON CONSULTANTS

10, Arundale Beach Road,
Kalakshetra Colony, Besant Nagar, Madras – 600 090.

THE RIGHT PLACE FOR THE RIGHT PEOPLE

We, Birla **3M** Limited, are an affiliate of **3M** USA forming part of the Corporation's regional Asia-Pacific operations. **3M** is a diversified international company ranking 32nd in the Fortune 500 with global sales in excess of US$ 12 billion.

For our Indian operations, which currently consists of a team of young professionals, we are seeking technically / professionally qualified personnel in the age group of 25 to 28 years with 3 to 5 years of relevant experience in the following functional areas.

01. **EXECUTIVE - GLOBAL TRADING / EXPORTS :** **Bangalore**

The position reports to the General Manager-Marketing and the job involves execution of export orders for various Indian Products, with the active support of **3M** Global Trading Co., who through their international net work would assist in locating prospective buyers worldwide.

The incumbent will have thorough knowledge of domestic product sourcing and international trading. Knowledge of export policy including various procedures/incentives/documentation is a must.

02. **TECHNICAL SALES OFFICER (CHEMICALS) :** **Bangalore**

The position reports to the Manager - Industrial Products Group and the job involves providing technical support and services, with specific emphasis to our recently launched 'Scotchgard™' flourochemical protection programme to our O.E. customers who are engaged in operations like textile mills/leather tannery/paper mills.

The incumbent would have in-depth knowledge of wet process chemicals and experience in leather processing/textiles.

03. **TECHNICAL SALES OFFICER (ADHESIVE TAPE) :** **Bangalore**

The position reports to the Manager-Industrial Products and supports the sales team by providing necessary technical services related to a variety of speciality pressure sensitive adhesive tapes, and works closely with our customers in the areas of application engineering.

Thorough knowledge of adhesive coating technology and previous related experience in tape industry are essential.

04. **SALES OFFICER (SURGICAL PRODUCTS) :** **Bangalore / Bombay / Delhi**

These positions report to the Manager-Health Care Group and the job involves field selling of **3M**'s renowned speciality surgical products like 'Micropore™', IOBAN™', 'Steridrape™' Autoclave tapes, etc.

The incumbent would have established contacts with the major institutional and trade channels through his previous experience in selling primarily the disposable surgical products targeted towards O.T. applications.

05. **SALES OFFICER (ELECTRICAL PRODUCTS) :** **Bangalore**

The position reports to the Manager-Electrical & Telecommunication Group and the job involves marketing a range of electrical terminations, splices, joints as well as resins and insulation tapes.

The incumbent would have a Degree / Diploma in Electrical Engineering with hands-on experience in selling similar products to major industries and power utilities.

All these positions carry a compensation package in line with the multinational norms and offer excellent career prospects; and overseas training in **3M** facilities wherever relevant.

Please apply, in confidence within 10 days superscribing the envelope the position applied for. Kindly mention the contact phone number, if possible.

Innovation working for you

The Personnel Manager
Birla 3M Limited,
Jubilee Building,
45, Museum Road, BANGALORE - 560 001.

3M
Worldwide Sponsor 1992 Olympic Games

LAKSHADWEEP

LAKSHADWEEP DEVELOPMENT CORPORATION LIMITED

General Manager/ Manager (Operations)

DEEP-SEA FISHING OPERATIONS DIVISION
(Mangalore/Cochin/Goa)

The Organisation

The Lakshadweep Development Corporation Ltd — a Government of India organisation under the Union Territory of Lakshadweep — is on the fast track for accelerating the economic development of the Islands. As part of the thrust, we have identified fisheries development as a high priority area, in which we are entering the lucrative deep-sea fishing operations. To begin with, we plan to charter foreign vessels, with definite plans to acquire them at the end of the charter period.

To head the deep-sea fishing operations, we are looking for a live-wire General Manager/ Manager, who will be based at Mangalore/Cochin/Goa.

The Candidate

You must be highly qualified in Marine Technology, or Mechanical Engineering with in-depth, hands-on experience in deep-sea vessel operations. You must have a successful track record, having put in around 10-15 years in a reputed business organisation/industry. Exceptional managerial capability to maximise profits through optimal utilisation of resources will be an important requisite for the position. Age: Below 35 years.

The Responsibilities

- To head deep-sea fishing operations, and manage a team of skilled personnel.
- To maximise resource utilisation and profitability.
- Inventory management.
- To liaise and build effective rapport between the employees, overseas clients and government agencies.

The Compensation

Since we are looking for the best talent available, the remuneration package will not be a constraint.

Please apply within 10 days, along with your detailed resume and a passport-sized photograph, to:

The Managing Director
Lakshadweep Development Corporation Ltd.
Beach Road, Calicut-673 032.

GENERAL MANAGER

Rs. 1 lakh p.a.
+ perks

One of Karnataka's largest distilleries requires a dynamic, highly experienced General Manager. The Candidate must have minimum 15-20 years experience in a large distillery manufacturing rectified spirit and extra neutral alcohol. Should be a B.Tech (Chemical) with alcohol technology. Experience in blending would be an added advantage.

The job description includes total plant responsibility, quality control including operations, MIS, Public Relations, Liaison with district authorities, minimum effective production, responsibility of all personnel, ensure maximum yield of alcohol, steam efficiency, preventive maintenance of plant and other equipment, and handling of State excise and Sales Tax matters.

This is a highly challenging assignment involving leadership abilities with a blend of maturity and foresight.

Preferred Age 45 years.

Apply within 15 days along with detailed resume, passport size photograph subscribing on the envelope "AM/GM" to

Box No. AA/327/LI/4,
Business India,
Wadia Building,
17/19 Dalal Street,
Fort, Bombay 400 001.

A large well established and progressive North Indian industrial group with interests in chemicals, agricultural inputs and engineering products requires :

FINANCIAL CONTROLLER CUM SECRETARY

New Delhi Age around 35 years

Reporting to the Chief Executive, the incumbent would be responsible for financial planning, accounting, MIS, internal audit, taxation, liaison with financial institutions/banks and secretarial matters.

Candidates should be chartered accountants/MBAs preferably with qualifications as company secretary with around 10 years' relevant experience.

FINANCE/ACCOUNTS EXECUTIVES

New Delhi Age around 23 years

The incumbent would be responsible for financial analysis, preparation of information and control reports, business plans and related work.

Candidates should be chartered accountants/MBAs with one or two years' experience preferably with working knowledge of PCs.

The positions carry an attractive compensation package and offer excellent opportunities for growth based on performance.

Please apply in strict confidence within 7 days to,
Box No. AA/327/LR/6, **Business India**, Wadia Building,
17/19 Dalal Street, Fort, Bombay 400 001.

IVAX

We are joint venture company promoted with technical and financial collaboration with P L S Paper Chemicals Ltd., U.K. manufacturing a complete range of Paper Sizing Chemicals at ou plant near Hyderabad. We wish to recruit -

FINANCE MANAGER ——— (HYDERABAD)

The incumbent will be responsible for finance planning, operation and control, dealing with financial institutions and tax planning.

Applicants should be Chartered Accountant with minimum of 10 years post qualification of which atleast 3 years should be at a senior level. Age - 35 - 40 years.

SALES MANAGER ———

HYDERABAD/MADRAS/ BANGALORE / PUNE/ VAPI/NAGPUR/CALCUTTA

The incumbent will be responsible to sell/service the company's products to paper and board mills and the company's technical sales team will be available to him.

Applicants should have a minimum experience 5 years post qualification of which atleast 2 years should be at a senior level. Candidates with post graduate qualification in Marketing from a recognised institute/university and or process experience in pulp and paper industry will be given preference. Age 30 - 35 years.

Remuneration will not be a constraint for the Deserving Candidates.

Please apply in strict confidence to:———

The Director

IVAX PAPER CHEMICALS PVT LTD.

No. 10, Vanier Street

MADRAS - 600 001

A large progressive multi-product, multi-unit industrial organisation with interests in Chemicals and Fertilizers requires personnel for the following functions for one of its Units.

COMMERCIAL
MANAGER/DEPUTY MANAGER
(PLANT)

The incumbent would be responsible for movement of finished goods, material management, factory accounts, excise/sales tax & liaison with related agencies.

Applicants should be Graduate with relevant experience in similar functions. However those having professional qualifications will be preferred.

MATERIALS
SENIOR EXECUTIVE /EXECUTIVE
(PLANT)

The incumbent would be responsible for procurement of raw materials and its onward transportation from ports to plant. He would also be required to liaise with Import Agencies, Railways & related authorities.

Applicant should be a Graduate with relevant experience. Knowledge of import procedures is essential for the job.

PERSONNEL
SENIOR EXECUTIVE/ EXECUTIVE
(PLANT & H.O.)

The incumbent would be responsible for industrial relations, recruitment and selection.

The applicants should have a post graduation qualification i.e. MSW or MBA with specialization in Personnel Management and should have relevant work experience.

CHIEF EXECUTIVE'S OFFICE
EXECUTIVE ASSISTANT
(H.O.)

The incumbent will assist the Chief Executive in day-to-day operations and in all the development of long-term business strategies. Candidates should be Engineers — MBA's with 2-3 years' experience in any function with excellent inter-personnel skills and analytical ability. Depending on performance, the incumbent can look forward to accelerated/exceptional growth opportunities.

All the above positions carry an attractive compensation package and the group offers excellent opportunities for growth.

Applicants may send their applications along with contact telephone numbers superscribing the envelope with the position applied for to: Box No.

AA/327/LV/5, Business India, 59, Regal Bldg., Connaught Circus, New Delhi 110 001

BRANCH MANAGER
GUWAHATI, ASSAM

THE COMPANY:

We are a professionally managed, multi-branch development finance institution. We offer excellent and challenging opportunities to young, dynamic individuals with initiative and drive, willing to accept substantial responsibility.

THE JOB:

The job involves business development, overall administration and supervision of all branch functions. Development of subordinates would also be an important aspect of job responsibilities. The candidate should therefore have excellent human relations skills.

THE CANDIDATE:
QUALIFICATIONS:

MBA or Chartered Accountant preferably with a Degree/Diploma in Management.

EXPERIENCE:

About 5 years' relevant experience, with a reputed organisation.

AGE: Around 35 years.

REMUNERATION & PERQUISITES:

These will be commensurate with qualifications and experience. Perquisites include Housing, Leave Travel Allowance, Medical Reimbursement, Personal Accident Insurance, Provident Fund, Gratuity etc.

Applications with full particulars including present salary drawn should be sent within 10 days to:- AA/327/CH/2, **Business India**, Wadia Building, 17/19 Dalal Street, Fort, Bombay 400 001.

Mudra: B: 650

BRANCH MANAGERS/ TERRITORY MANAGERS (Consumer Durables)

We have been retained by a large industrial house, to select Branch Managers & Territory Managers for one of their companies currently marketing Colour and Black & White Televisions and planning **introduction of new products.**

The positions are located in **Gujarat, Maharashtra, Karnataka, Rajasthan, West Bengal and Andhra Pradesh.**

Candidates for the position of **Branch Managers** should be M.B.As., 27 to 32 years old having **4 to 6 years successful track record in selling consumer durables.**

For **Territory Managers,** candidates should be M.B.As, 24 to 27 years old having **2 to 3 years field sales experience in consumer durables.** (Fresh M.B.As from reputed institutions may also apply).

Both positions require exceptional leadership qualities and a high degree of self motivation and perseverance in order to promote the company's products through an effective dealer network and amongst institutional buyers.

Remuneration is designed to attract the best talent available and shall not be a constraint for the right candidates.

Please send your detailed resume, along with a recent photograph and mentioning two non-relative references to:

hemendra k. varma
management productivity systems
post box 9313
bombay-400 036.

KALYANI

Kalyani Steels

Kalyani Steels

Kalyani Steels Limited, a part of the Pune based **Kalyani house of industries,** has a unique record of growth and achievement in the area of Special Quality Carbon and Alloy Steels. Our present turnover is approximately Rs. 800 million per annum and our employee turnover has been below 1% per annum for the last ten years.

We are looking for a **"MANAGER MAINTENANCE"** to head the function at our Works in Pune. Candidates should be Mechanical Engineers with not less than 15 years' experience in Breakdown and Preventive Maintenance in a Steel Plant with EAF/ROLLING MILL/CONCAST/ LF-VD.

Salary, perks, and the working environment will match the best in the Industry. Please apply within 10 days, giving detailed Bio-data and mentioning salary drawn, to –

The Personnel Manager
Kalyani Steels Limited
Mundhwa, Pune 411 036.

90-627

CHIEF ARCHITECT

DELHI **ATTRACTIVE PACKAGE**

Our client, a progressive, widely known and well established group with diversified interests, wishes to select a Chief Architect for one of their companies, engaged in executing **HOUSING & HIGH-RISE** projects. The company is acknowledged as a trend setter in implementing innovative, cost effective and modern architecture designs. It enjoys excellent market reputation and corporate image — both in India and abroad.

Chief Architect is a key senior management position responsible to the Managing Director. He will be assisted by a team of bright qualified architects. His job responsibilities encompass conceptualising & developing need-based plans for townships, multi-storeyed buildings, residential colonies, group housing, etc; obtaining approval of the plans from concerned Government/statutory authorities; and maintaining perfect liaison with them and construction sites.

The ideal candidate would be a qualified Architect, preferably with a Masters Degree from an institute of repute and 15-20 years' related experience, out of which not less than 5 years should be as a head of the department. He should be an effective leader, self-motivated, articulate and high calibre professional with a strong sense of commitment. His basic work experience should have demonstrated his vision, innovative ability and technical acumen.

The position offers ample growth opportunities and a congenial work environment. **THE SALARY PACKAGE FOR THIS KEY POSITION IS NEGOTIABLE AND WILL BE DESIGNED TO ATTRACT AND RETAIN THE BEST TALENT.** All the applications will be treated in the strictest confidence. Please apply within 10 days by sending a comprehensive resume, marking the envelope and enclosures with the job title and code: 9041.



PERSONNEL SELECTION DIVISION
MANTEC CONSULTANTS P LTD
Post Bag No. 33, New Delhi 110019
Tel: 6431872, 6415864, 6429295

Undertaking world wide assignments in association with MSL INTERNATIONAL, U.K.

INDOFIL CHEMICALS COMPANY

CHIEF WORKS MANAGER

We are a fast-growing, reputable and professionally managed Company with multinational affiliation. We have a highly diversified business profile which includes manufacturing of Agricultural and Industrial chemicals. The Company proposes to make significant investments in modernising the existing manufacturing facilities, and creating new manufacturing facilities around Bombay for major growth and diversification.

We are looking for an outstanding professional with proven track record who will have complete charge of a sophisticated chemical plant and lead a highly qualified team of professionals. He will be responsible for manufacturing activities, maintaining process conditions to meet with production and yield targets, ensuring maximum utilisation of equipment and manpower, union negotiations and labour relations, facilitating inter-functional teamwork and providing an environment that enhances and facilitates effectiveness at work.

Applicants should be graduates in Chemical Engineering, preferably with qualifications in Business Management. They should have minimum 15 years of relevant experience in chemical/petrochemical/pharmaceutical industries, out of which 5 years should be as heads of manufacturing facilities. The position calls for excellent qualities of technical competence, communication abilities and inter-personal skills. Preferred age around 40 years.

The position is in top Management cadre and our compensation package is comparable to the best in the industry. Please apply in confidence within 10 days with full details to:

The General Manager Pers., Admn. & PR
Indofil Chemicals Company
Post Box No. 9112
BOMBAY-400 025.

NUCHEM WEIR

water for life

AREA MANAGERS
MARKETING

BARODA/DELHI/MADRAS/BOMBAY

CHEMICAL/MECHANICAL ENGINEER preferably with MBA

3-5 years experience in market development of Industrial Products
below 30 years

If you are young, self starter and have grown faster than time,
If you breed on positioning, niche and share of mind,
If you have a flair for creativity and a passion for perfection and
If, for you, ambition is a journey and success its reward

WE NEED YOU

We are a proposed joint venture company with equity participation by Weir — world's most progressive organisation in desalination with over 100 years of experience, inventors of Multi Stage Flash Technology, currently setting up world's largest sea water based Reverse Osmosis plant at Bahrain.

You shall assume total charge for market development of our products in your region and must have potential to grow to Regional Manager position in less than 2 years.

Would you like to be part of us.

Kindly mail your resume superscribing location to:

DIRECTOR
NUCHEM WEIR LIMITED
20/6, MATHURA ROAD
FARIDABAD-121 006
HARYANA

MDD

Experts in Manufacturing, Banking, Finance and Insurance can now build careers in computer

PCS, one of India's leading computer companies is looking for people in the above mentioned fields to lend their expertise towards software design and development. In India and **abroad.**

In addition to the in-house VAX, DG, UNIX, RS/2, AS/400, RISC and LAN platforms, PCS will also provide a dedicated satellite link to MVS, DB2, CICS, IMS and IDMS machines.

Applicants for these openings needn't have any experience in computers, though, it will be an added advantage if they do.

Engineering professionals or masters degree holders with minimum 3 years experience, or bachelors degree holders with at least 5 years experience, can apply.

The preferred age is above 30 years, but can be relaxed for the right candidate.

Applications giving full career details may be sent within 7 days in an envelope superscribed 'SPZ-3,' to:

Asst. Manager – Systems
Patni Computer Systems Ltd.
Unit No. 55, SDF-II
SEEPZ, Andheri (East)
Bombay 400 096.
Tel: 6349332/6361454

PCS

CONQUER GLOBAL MARKETS AS THE OMMANDER-IN-CHIEF

OF THE NEW EXPORTS DIVISION OF THE LAZOR-QSS GROUP

Lazor-QSS Group has
nimously decided to offer
the Chief Executive's
k at their newly
blished Export Division.
ivision specially created to
se the Group's ambitious,
ighted, far-reaching
rsification plans to
rge as a major presence
he global scene. From
e, you can formulate
tegies, group your forces
set-up your network to
quer the world.

he C-in-C of this Division,
should be well-armed
full advance knowledge
nternational and domestic
e, export policies,
cedures and current
ctices. You should be able
arget in on potential
kets and locate growth
ortunities in areas yet
xplored.

should be fighting fit, 37
5 years of age and have
already notched 6 to 7 years' experience in a command post with a reputed, organised Export House. Single-minded purpose, unflinching dedication to the cause and independent decision making alongwith a marked ability to organise a striking force with competitive fervour, are qualities we seek.

You will be offered an attractive five-figure salary package and will participate in profit sharing of this Division's earnings.

Write in full confidence stating your age, qualifications and experience to the:

Chairman
Lazor-QSS Group
of Companies
35-D Sneh Sadan,
Main Avenue, Santacruz (West),
BOMBAY 400 054

LAZOR



IMPRESSIONS BLDG

WASAN GROUP

ESTD. 1930

THE PEOPLE WHO GAVE INDIA THE SHOE UPPER INDUSTRY

The Wasan Group Largest Manufacturer Exporters of Shoe Uppers—is today a multi-activity, multi-location and multi-product entity, having diversified into the manufacture of Finished Leather, Complete Shoes, Leather Garments, Sports Shoe Fabric, Trading and Hotels - Restaurants — Boutiques abroad. Recipients of a staggering 21 awards for excellence in exports.

Require

EXECUTIVE ASSISTANTS (4) (EXPORT) DELHI—AGRA

Bright young persons reporting to the concerned Director upto 30 years of age willing to work hard and shoulder responsibility in a rapidly growing organisation set to cross the Rs. 100 crore mark in 1991.

The qualifications required are M.B.A., C.A. or IIFT Trained & Experienced in International Trading, Finance, Production for 2/3 years. Knowing a Foreign Language preferrably Russian, German or French capable of Co-ordinating the timely execution of contracts & providing comprehensive Management support to 3 Foreign Reserve Bank approved offices in U.S.S.R. West Germany & Bulgaria.

The position will carry an attractive compen sation package comparable to the best in the industry.

Apply with complete bio-data and passport size photo within 10 days to:

THE CHIEF EXECUTIVE

WASAN GROUP

BODIA **AGRA**

FINANCIAL CONTROLLER

Calcutta **Excellent Salary and Perquisites**

BERGER PAINTS, a leading multi-national Company with an excellent record of growth and profitability wishes to recruit a senior professional to head the Finance Function.

The incumbent, reporting to the Executive Director, would be responsible for formulating and implementing the corporate financial policies and strategies, budgeting, management of funds, taxation, M I S and activities of the Accounts Function.

Applicants should be Chartered Accountants, with at least 20 years of relevant experience in companies of repute. The Company is looking for a high calibre candidate with a track record of outstanding achievements and an ability to motivate and lead a team of professionals. Preferred age : Around 40–45 years.

Applications with a structured resume should be sent within two weeks to the :

Executive Director
BERGER PAINTS INDIA LIMITED
'BERGER HOUSE'
129 Park Street, Calcutta 700 017

BERGER PAINTS

In association with THE UB GROUP

KUMTRON LIMITED / **KUMTRON LIMITED (A U.P. Government Enterprise)**

Ours is a new unit promoted by U.P. Hill Electronics Corporation Limited (HILTRON) and Kumaon Mandal Vikas Nigam Ltd, (U.P. Govt. Undertaking) for the manufacture of sophisticated audio and electronic products.

The factory is situated at Sub division head quarters—Bageshwar (Distt-Almora) of Kumaon Hills. Bageshwar is a prominent pilgrim centre and surrounded by picturesque tourist places like Kausani and Baijnath. The district head quarter Almora is well connected by road on the state highway and is at a distance of only 80 Kms.

We require a dynamic and result oriented person for our factory.

MANAGING DIRECTOR

Should be an engineering graduate (preferably electronics/electrical) with about 15 years experience of which atleast 5 years should have been at a senior management level. The incumbent should have excellent management skills combined with depth of experience and acknowledged leadership qualities. The incumbent would be responsible for the overall Company operations & profitability and will initiate & implement innovative strategic plans for manufacturing, marketing and development.

The Company provides an attractive salary package and perks to the deserving candidates. Apply in strict confidence with resume giving details of experience, salary drawn/expected and a recent passport size photograph, within fifteen days to:

Director Incharge, Kumtron Ltd. Teletronix Industrial Estate
Bhimtal 263 136, Distt. Nainital, U.P.

KUMTRON LIMITED

GENERAL MANAGER

Raasi Finance & Investment Ltd., is one of the fastest growing finance companies. Professionally managed, it deals in all areas of finance, including consumer finance, hire purchase and leasing activities.

The incumbent will have overall responsibility for business development, managing financial resources and disbursements, dealing with financial institutions and banks. Excellent communications skills, ability to build and lead a successful team of professionals, establish and maintain high level personal rapport with the industry,. are the key considerations for the post. He will report to the Vice-President.

The applicant should be preferably a CA/ MBA with around 15 years experience out of which 10 years should have been at a senior management level or an accomplished finance professional/senior banking personnel.

Remuneration package would be negotiable and include top management perks.

Please write in strict confidence within 10 days to:

Vice President,
Raasi Finance & Investment Ltd.,
Sri Vishnu Bhavan, Panjagutta X Road,
Hyderabad - 500 482.

VICE PRESIDENT (OPS) CEMENT INDUSTRY

Western India

We are one of the largest cement manufacturers and are on the lookout for an outstanding and high calibre Vice President(Ops) to take charge of our Dry process cement plant which has a capacity of nearly One Million tonnes per annum.

The incumbent should have proficieny in achieving high productivity levels and efficiencies, continuous updating of technology and cost reduction measures for maximising profits.

Candidate should be Mechanical/Electrical Engineering graduates preferably with additional qualification in Management having relevant experience at senior levels. Ideally, the candidates should be holding the position of GM at least for the last 5 years with a proven track record of achievement and excellent managerial skills. In-depth knowledge of dry process cement technology is essential Must be a strong administrator having the capabilities of motivating the workforce through team-work and harmonious industrial relations. Should be highly cost-conscious with an eye on profit maximisation. Knowledge of Gujarati desirable but not essential.

Age around 45 years.

Salary will not be a constraint for the right candidate. Please write with detailed bio-data in strict confidence to:—

The Advertiser,
Box No. AA/327/ZA/3,
Business India,
Wadia Building
17/19 Dalal Street,
Fort, Bombay 400 001

GENERAL MANAGER - FINANCE

Bombay **Attractive salary package**

A reputed multinational pharmaceutical company with a very good record of growth and profitability and a strong product line consisting of bulk drugs and formulations is looking for a GM – Finance at its Head Office in Bombay. The GM – Finance will be in charge of all aspects of finance, banking, project appraisal, MIS and tax planning.

The candidate should be a qualified Chartered Accountant and Company Secretary, with appropriate senior level experience in reputed manufacturing companies. Experience in multi-national companies will be an advantage. Preferred age around 40.

This is a very senior position and carries a commensurately attractive salary package. The right person could expect to take over as Vice President, Finance in the next 4-5 years.

Please apply in strict confidence within 10 days to:

A. F. Ferguson Associates
Post Box 1786
Bombay 400 001

giving full details of age, qualifications, experience and salaries drawn. All applications and envelopes should be marked "Ref: MS/5568." Candidates not contacted within 3 months of application may assume that they are not being considered.

50 YEARS OF
AMRIT BANASPATI CO. LTD.
GREAT YEARS GREAT GOING.

AMRIT BANASPATI COMPANY LIMITED

Ours is a long standing growth oriented Company engaged in the manufacture of Vanaspati, Refined Oil, Paper, Soap etc. Our annual turnover is more than Rs. 300 crores. We are looking for a Competent, result oriented and dynamic professional to join us as :

GENERAL MANAGER – LEGAL & PUBLIC RELATIONS

The incumbent shall be a key executive of the Company's Corporate Office at Ghaziabad and will be responsible for maintaining good Public Relations and Liaisoning with the State/Central Government and other Govt. Bodies. The selected candidate will also be responsible for all legal matters and shall advise the units of the Company on various legal aspects.

The candidate must be a Law Graduate with atleast 15 years of relevant experience out of which 5 years should be at senior level in a reputed Company. The preferred age is around 40 years.

The remuneration package will be attractive and shall not be a constraint for the right candidate. The interested candidates should send their Bio-data in confidence with full details regarding age, qualification, experience, salary drawn and expected alongwith a pass-port size photograph with in 10 days to :

The Executive President,
Amrit Banaspati Co. Ltd.,
G.T. Road, GHAZIABAD
Pin : 201 009 (U.P.)

PRESSMAN

Comet Steels Limited is a professionally managed company with a rnodern Cold Rolling Mill Complex at Nanded in Maharashtra. The company has recently implemented a modernisation programme and is now poised to double its capacity. As part of its expansion plans, the company requires the following personnel:

BRANCH MANAGERS

BANGALORE AND PUNE

The Candidates should be graduates, preferably Engineers with 4 to 5 years experience in reputed company in the field of industrial marketing. Persons having additional management qualifications/relevant experience will be given preference.

The Company offers an attractive compensation package with liberal benefits coupled with bright prospects for growth. Please apply in strict confidence within 10 days to:

CSL STEEL STRIP

Personnel Manager
COMET STEELS LIMITED
Chander Mukhi, 10th Floor,
Nariman Point, Bombay-400 021

CLEA

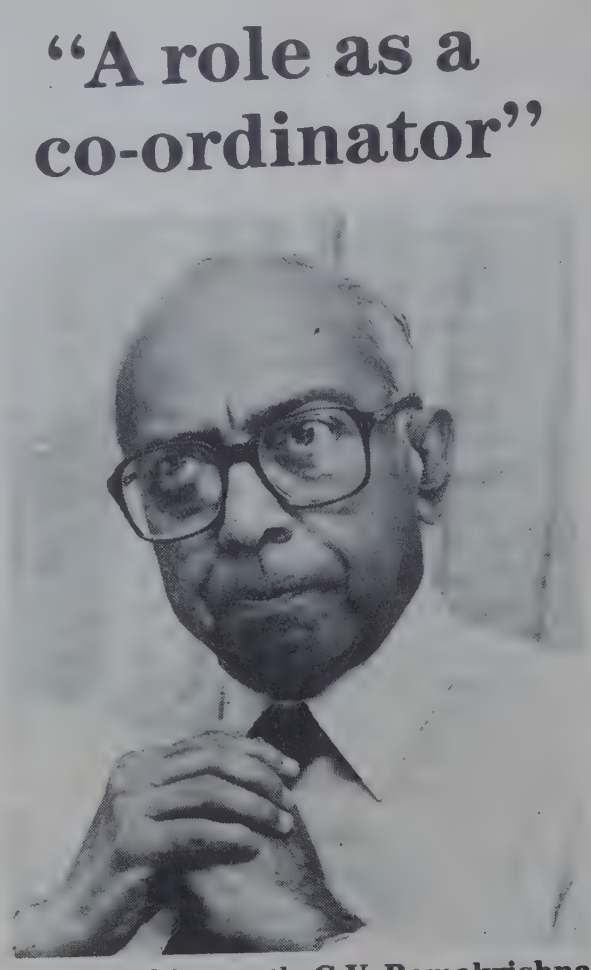
A leading company engaged in manufacturing and marketing of roofing material requires:

SENIOR SALES EXECUTIVE — BOMBAY

The candidate should be a first-class graduate with 4-5 years' experience of selling Asbestos Cement Sheets in a reputed company. Persons having exposure to Western and Southern markets will be given preference. Placement in higher level can be considered in deserving cases.

The company offers an attractive compensation package with liberal benefits coupled with bright prospects for growth. Please apply in strict confidence within 10 days to Box No. AA/327/LS/1,
Business India, Wadia Building, 17/19 Dalal Street, Fort, Bombay 400 001.

"A role as a co-ordinator"



Earlier this month, **G.V. Ramakrishna** *(60), assumed charge as chairman, Securities and Exchange Board of India (SEBI). A former member of the Indian Administrative Service, he brings to this job the experience of a seasoned administrator acquired over three decades and 19 positions in government. Basudev Dass of* Business India *interviewed him recently in Bombay*

The Indian capital markets are going through a period of great activity, marked by an upward adjustment in price/earnings multipliers and renewed interest in offerings of capital in the primary market. For the role that it has set itself — as the watchdog of the Indian capital market — how will SEBI play this role once the bill on it, presently in Parliament, becomes law?

It is a little difficult to say at this stage if the proposed SEBI legislation is going to be comprehensive vis-a-vis market requirements. But the basic objective remains — to ensure an orderly and healthy growth of the market from the standpoint of the issuer of capital, intermediaries and the investors. The role of the capital market should be related to industrial activity and liberalisation. I see SEBI's role evolving gradually. It cannot be overarching because the demands on SEBI are manifold and cannot be fulfilled overnight.

With the stockmarkets being more buoyant, scrip values have set new records. What is your view on this disturbing trend?

Currently, there is a phase of imbalance between the availability of scrips and supply of funds. The creation and entry of several mutual funds has opened the floodgates of money into the secondary market. I feel there should be some correlation between consents given by the Controller of Capital Issues and the raising of funds, so that the demand for funds to support scrips is kept in balance. The imbalance we see today has affected the securities market. The result is what people have started calling an "overheated" market. I see a role for SEBI as a coordinator that alerts the agencies concerned in advance to prevent such occurrences.

Could it be that overheated markets are created by mutual fund institutions? The fact is, every mutual fund manager is bent on having a Tisco, Telco or Century in his portfolio. Thus, too much money is chasing too few blue chip scrips.

The mutual funds are already competing among themselves to offer better minimum returns to investors. To keep their promises they have to go in for the speculative scrips and book profits from time to tim However, there are only a few such scrips available — a small pool where the volume of trading is very thin. Any small intervention will push prices as the pool consists of the 30 scrips in the Bombay Stock Exchange sensitive index. It is this index that we watch and then call the market overheated. In short, we judge the sea by what is happening in a small pool. But prices of scrips apart from those in the 'A' group also need to be watched. If you look at the national index the rise is not so alarming. But the 30 BSE scrips call the shots as they are considered representative of the total market, which, in fact, they are not, though they are an indicator within limits.

What do you think of the recent SEBI guidelines requiring a minimum net worth of Rs.1 crore for merchant banking companies to qualify for issue management?

In my view the limit of two merchan bankers per issue needs to be raised open the door to new people with th requisite experience to manage pub issues. There are a lot of young peop who can offer advisory services and consultancy in this area of corporat finance. The guidelines try to ensur that managers have the resources t underwrite a minimum of Rs.25 lak issue. As long as they can get a ban "backstop" their underwriting obligations I don't see any problem

The outlook of the average stockmarket investor is still in th short term. Most of them are speculators, small, medium or bi SEBI has a major role to play in changing their image of the mark Please comment.

An important task before SEBI is investor education. The role of cap markets in a developing economy n be properly understood, and this is possible only through well planned well orchestrated dissemination of information. As the market grows speculator classes too are bound t grow.

We can try to ensure that the "reasonable" investor is not made of, by starting, for example, invest clubs and associations all over the country. We need a network but n necessarily SEBI's own; it could b national network of stock exchan this point we are thinking of open regional offices.

What is the importance you atta curb insider trading in India?

For SEBI, insider trading may not considered in the first batch of th issues to be tackled. But we will h address it in the short term, if SE take up investor protection seriou lot depends on the scope and nat the proposed legislation that will determine SEBI's role.

If the government sets up a st body with powers, then it must a given autonomy. In which case I see any conflict in the governmen owned investment institutions. E surveillance of stock exchanges w limited, keeping them autonomo is why I believe the SEBI chairma cannot be associated with any ot player in the stockmarket if it is properly perform its role as a reg authority.

AIR CANADA'S GIFT TO ALL THOSE FLYING TO TORONTO.



When you fly Air Canada to Toronto, you can choose to enjoy a stopover in London. At no extra charge.
Come, fly Air Canada to Toronto. We wish you many happy returns.

Contact your Travel Agent or Air Canada.

Bombay – Toronto. 4 times a week.

A BREATH OF FRESH AIR

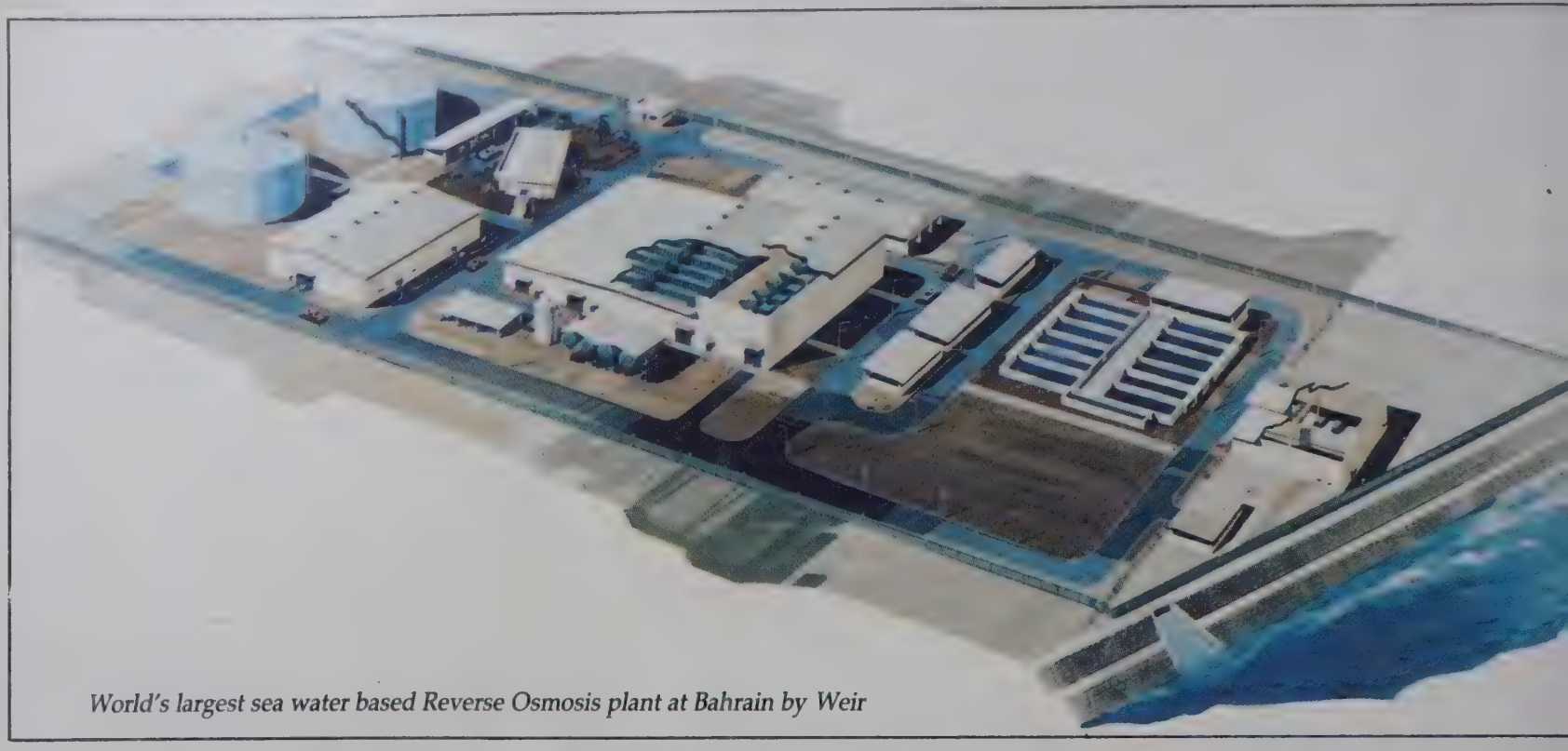
Air Canada

anada Bombay 202-1111 ★ GSA Ahmedabad 46-8545 ★ Bangalore 23-9475 ★ Calcutta 44-7783 ★ Calicut 65757 ★ Cochin 35-4193 ★ Faridabad 812-6473 ★ Goa 3338 ★ Hyderabad 47 ★ Jaipur 77202 ★ Jullundur 2488 ★ Kanpur 21-2787 ★ Madras 825-0884 ★ Mangalore 32256 ★ New Delhi 332-5876 ★ Pune 66-7063 ★ Tellicherry 22899 ★ Trivandrum 68003

Rediffusion/AC/90/142

RN 35850/80

REG. No. MI
SOUT



World's largest sea water based Reverse Osmosis plant at Bahrain by Weir

5000 million litres of pure water everyday, worldwide – that's Weir

Weir sets milestones in Desalination Technologies for 100 years

1884 – Weir sets up world's first commercial desalination plant of 10,000 litres of pure water per day for the boiler of a steamship.

1912 – Weir supplies world's first land based installation of 75,000 litres per day to Safajah Phosphate Company in Egypt.

1928 – 6 plants of 300,000 litres a day each for islands of Aruba and Curacao.

1956 – World's largest submerged tube plant of 10 million litres a day in Aruba by Weir.

– More than 75% of all desalination plant capacity in the world was supplied by Weir.

1957 – Weir team under Dr. R.S. Silver developed and patented the revolutionary Multi Stage Flash (MSF) Process.

1970 – Weir developed 'fresh water factories' with capacity upto 20 million litres per day each.

1990 – Weir is involved in setting up another milestone – the world's largest sea water based Reverse Osmosis plant at Bahrain, with a capacity of over 45 million litres per day.

Weir in India now

Weir now ties up with Nuchem – *India's pioneering company in Electrodialysis technology and a prime contractor to the National Technology Mission on Drinking Water* – to bring its over 100 years of experience to solve growing Indian problems in water desalination.

Salt free water from sea water, brackish or effluent water for:

Drinking Water, Boiler Feed & Cooling Tower Water, Process Water, Ultra Pure Water, Water Re-use, Agricultural Water and Brackish Water Fisheries.

NUCHEM WEIR

water for life

For more information please contact:
Nuchem Plastics Limited, Water Technology Division, 20/6 Mathura Road, Faridabad 121006.
Tel: 8125401, 8125402, 8125703, 8125704. Tlx: 034-3232 NUCH IN. Grams: HYPRESS.

LIBRARY & DOCUMENTATION UNIT
OCT 99
C.F.T.R.I. MYSORE

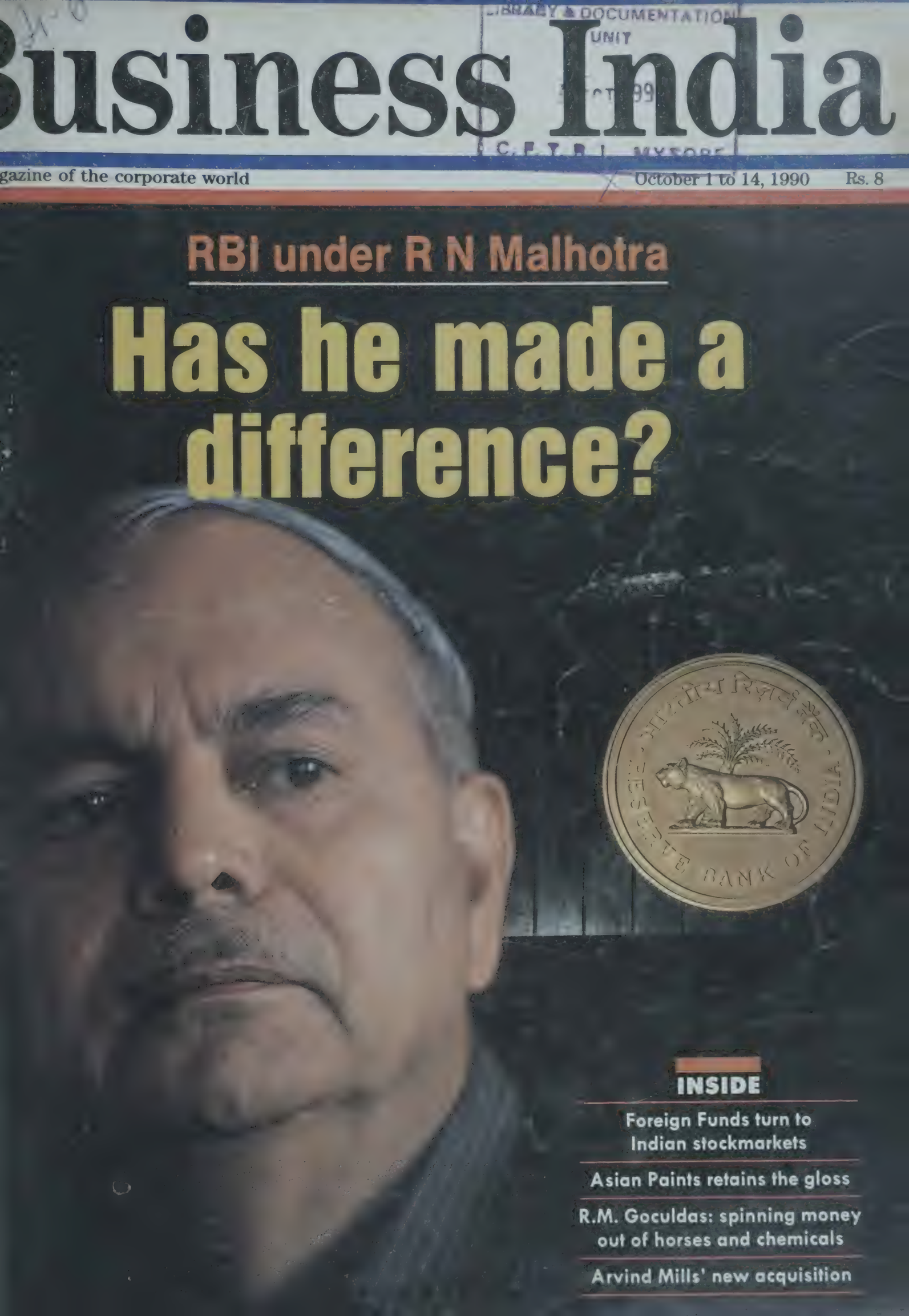
Business India

gazine of the corporate world

October 1 to 14, 1990 Rs. 8

RBI under R N Malhotra

Has he made a difference?



INSIDE

Foreign Funds turn to Indian stockmarkets

Asian Paints retains the gloss

R.M. Goculdas: spinning money out of horses and chemicals

Arvind Mills' new acquisition



THE LILTING EXUBERANCE OF A GREEK DANCE.

SHADES OF ANTHONY QUINN IN 'ZORBA THE GREEK'.

HIS SHIRT? SUBTLE, SEDUCTIVE SILK.

WITH THE MYSTIQUE OF JACQUARD.

Bombay Bazaar

BENZER®

HIS TROUSERS? QUIET BEIGE WITH A HINT OF STRIPES.

WITH 'AMERICAN' FOLD BOTTOMS.

ONE OF MANY THOUSAND BREATHTAKING READYMADE

EXACTLY WHAT YOU'D EXPECT FROM THE BEST.

INDIA'S SINGLE-LARGEST SHOP FOR MEN'S WEAR.

ONLY AT BHULABHAI DESAI ROAD, BOMBAY.

LIBRARY & DOCUMENTATION UNIT
5 OCT 1990
C.F.T.R.I., MYSORE



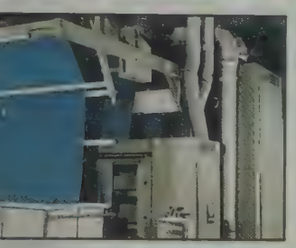
COVER FEATURE

56 RBI under R.N. Malhotra: Has he made a difference?
R.N. Malhotra presides over the slow transition of RBI from a tightly controlled central monetary authority to a publicly deregulated one; but can one individual effect an overnight culture change?



CORPORATE REPORTS

70 ASIAN PAINTS
Secrets of a supremo
In spite of adverse market conditions, the country's premier paint manufacturer continues to run a trim and profitable operation



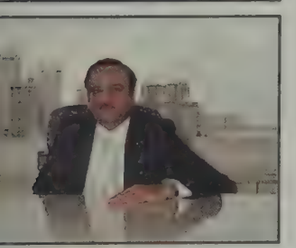
74 THE BHARAT VIJAY MILLS
On the water tank front
Almost overnight, this company transformed the image of the ubiquitous water tank by using clever technology and marketing



79 THE R.M. GOCULDAS GROUP
Ready to take off
The three companies of the group have done exceedingly well in recent years, and the management is gearing up for large-scale expansion and diversification programmes



84 ARVIND MILLS
A new acquisition
The company's recent acquisition of Nagri Mills will expand its denim manufacturing capacity



89 RAMA PETROCHEMICALS
Ripe for a takeover?
The high profitability and performance of this two-year-old company has, according to sources, led Bombay Dyeing to consider taking it over

SPECIAL REPORT

166 Destination India
In recent months, India as a country and its stockmarkets have caught the attention of the world's large financial institutions which are moving through the vehicle of country funds



10 EDITORIALS
Delhi under siege

Annual reports: to reveal or not to reveal

BSE keeping institutions out

31 BUSINESS NOTES
Acrylic knitwear exporters find themselves left high and dry because of the continuing crisis in the Gulf

The election of M.N. Goiporia as chairman of the Indian Banks' Association has set a new precedent

Nigerseed exports are soaring after the government canalising agencies took over the export of this birdfeed component

The freeze on cement prices is seen as a message that the government does not want more investment in the industry

Reliance Industries' action in hiking PTA prices is taking a heavy toll of the PSF industry

41 FOLLOW-UP
Rallis India chairman Darbari Seth has taken the company's poor performance as a personal sorrow

117 PUBLIC SECTOR
Keltron is bashing on regardless of the controversy surrounding it, but its credibility may be badly tarnished

121 FOCUS
As unification day draws closer for Germany, the critical question is: what shape will the new Germany take?

133 ENTERPRISE
Providing a little more than the customer bargained for, has proved to be the key to the unique success of Electronica India

224 INTERVIEW
Dinesh Goswami, Union minister of steel

108 Advertising
215 Books
31 Business Notes
28 Businessmen in the News
49 Centre
105 Column
96 Comment
97 Computers
141 Corporate Monitor
70 Corporate Reports
56 Cover Feature
163 Debentures
45 Economic Indices
47 Economic Outlook
10 Editorials
133 Enterprise
215 Executive Ladder
219 Executive Life/Style
121 Focus
41 Follow-up
14 For Your Information
64 Government
52 Guest Column
136 International
224 Interview
164 Investor Contest
100 Labour
3 Letter from the Publisher
7 Letters to the Editor
16 Listening Post
94 Management
157 Market News
110 Marketing
153 New Issues
20 News and Events
223 People
217 Professional Profile
117 Public Sector
174 Reader Service
166 Special Report
114 States
160 Stockmarkets
125 WorldPaper

Published by Ashok H. Advani for BUSINESS INDIA, Wadia Building, 17/19 Dalal Street, Bombay 400 001 and printed by him at the Tata Press Limited, Bombay 400 025 and BUSINESS INDIA, care Usha Offset Printers Pvt. Ltd., 125 Govt. Industrial Estate, Kandivli (West), Bombay 400 067. Phototypeset by Business India Photosetters.

"A New, Privileged Class For People Going Places."

LE CLUB



Now your business can really take off. With Le Club, the privileged class created by Air France to bring business travel into a new age of ease and style. Before, during and after the flight; with separate check-in counters, a refreshing drink to welcome you aboard, the carefully designed Le Club cabin - intimate and serene. And the new, generously proportioned "Espace 2000" seats, fully adjustable to bring personalised comfort to your way of working or relaxing. Plus some of the finest gourmet food flying today - with the choice now extended to include an exclusive "Regional Speciality" - accompanied by a selection of drinks with all the taste of France. And when you arrive, Le Club is still there to look after you, with a hotel room and a car anywhere in the world - additional services that can be reserved and settled in advance when you buy your ticket. This is Le Club: providing the outstanding levels of efficiency and personal consideration which the successful business traveller has a right to expect. From the moment you make your reservation right up until you reach your final destination. Fly Le Club. And discover the state-of-the-art in business travel.

THE NEW
CLASS
LE CLUB.

THE FINE ART OF FLYING

AIR FRANCE

6, Scindia House, Janpath, New Delhi 110 001 Phone: 3312853
Maker Chamber VI, First Floor, 220, Nariman Point, Bombay-400 021 Phone: 2024818

graphisads/1485

siness India

	Ashok H. Advani
Publisher	Malvika Singh
Editors	Naazneen Karmali, Basudev Dass (Bom.) Sushila Ravindranath (Madras) N. Radhakrishnan, Eapen Thomas (Bom.)
rrespondents *dents*	Dilip Maitra, Sekhar Seshan (Bombay) K. G. Kumar (Trivandrum) Dharani K. Pani (Madras) Teesta Setalvad (Bombay) Devaprasad Purokayastha (Bangalore) Raju Bist (Bombay) Sumit Ghoshal (Bombay) Rahul Sharma (Delhi) Alpana Killawala (Bombay) Roop Karnani (Pune)
rs	Madhumita Bose (Calcutta) Shekhar Ghosh (Bombay) Gayatri Bhandarkar (Calcutta) Lancelot Joseph (Bombay) Arif Sharif (Delhi)
editor *b-editors* *s*	F. S. Pinto Tushar K. Das, Jayakumar Menon L. Fernandes, Kausalya Vijapurkar Rahul Goswami, Shankari Chakravarty
ation Head	Anjum Rajabali
hers	Pankaj Desai, Ravi Patil (Bombay) Sajal Bose (Calcutta)
Director	Atul Deshmukh
Director	Pheroza Bilimoria
nent Manager	Roopina Nicholson 2041974/2253
Manager	Ferzine Esmail (Bombay) 2041974 Sumati Bedi (Madras) 474964/860714
Executives	P. L. Baluja (Calcutta) 448455 Prabha Nair (Delhi) 312485 Shenaz Rangwala (Bombay) 2041974
utives	Hyacinth Albuquerque (Bom.) 2041974/2253 Archana Pillai, Ritu Krishna (Delhi) 312485 N. Pankaja (Madras) 474964/860714 Purnima Shah (Bangalore) 265149
on Manager	Anita Mehta 274161
lation Mgr.	Ravi N. Iyer (Bombay) 274161
utives	C. Bhasker (Bombay) 274161 Monisha Mehra (Delhi) 312485 S.S. Kannan (Madras) 474964/860714 Purnima Shah (Bangalore) 265149
	Trilokesh Mukherjee
irector	Paulomi Shah Madhvani
m	Raphael Fonseca, Bertie D'Souza, Mukesh Pandya, Andrew Gonsalves, Shubhra Bhatnagar
Manager	Henry Serrao
n	India Book House Pvt Ltd
Office	Wadia Building, 17/19 Dalal Street, Fort, Bombay 400 001. Tel: 274161/271558
Marketing, *g &* *ation*	Nirmal, 18th floor, Nariman Point, Bombay 400 021 Tel: 204 6236/202 4422/202 4424 Telex: 1183557 BZIN IN
	59, Regal Building, Connaught Circus, New Delhi 110 001 Tel: 312485 Telex: 031 61359 NFW IN
	Flat No 4-A JP Tower, 4th Floor 7/2 Nungambakkam High Road Madras 600 034. Tel: 474964/860714 Telex: 041 7118 BZIN IN
	Krishna Villa, 100 Park Street, Calcutta 700 017. Tel: 448455

ion rates
NUAL SUBSCRIPTION Rs. 165
for cheques not drawn on a Bombay bank.
S (One year only)
ly to Pakistan, Bangladesh, Sri Lanka, an and Burma Rs. 770 or US$55, Middle , Europe, Africa & Australia Rs. 1,380 or rth and South America Rs. 1,445 or US$100.
be drawn in favour of Business India.
ude airmail charges.

d manuscripts cannot be returned unless ied by postage.

Ram Malhotra has served as governor of the Reserve Bank of India under different prime ministers. Although Rajiv Gandhi's economic policies were significantly different from Indira Gandhi's, they were in the traditional Congress mould. The Janata Dal came in on an anti-Congress wave, yet this key component in the economic and financial management of the country has remained unchanged. Not only that, the new government paid Malhotra a compliment by extending his term.

If the Reserve Bank were actually and truly an autonomous institution, then this might be expected. However, in spite of its considerable autonomy on paper, over the years successive governors have viewed the RBI as virtually a department of the government. They have also seen themselves as economic mandarins of the government in general, and the ministry of finance in particular, rather than as independent heads of the monetary authority of the country. It is then not surprising that the monetary authority has had to abdicate its independence and fall totally in line with the government in Delhi. Against this background, it must be said that, given the increasing deficits of the past few years, Malhotra has done a commendable job in keeping money supply in check as far as possible to curtail inflation.

During this period, the RBI has also won praise from the government for "managing" a difficult balance of payments position. The classical formula of steady devaluation has been implemented efficiently. Finally, the RBI has continued its traditional role of monitoring and supervising the function of the banking system. In each of these three areas, Malhotra and his team (two key deputy governors have also remained unchanged) have won praise from the traditionalists.

However, there is another view of what the RBI governor can actually do. Critics of the present system point out that single individuals can, and do, make a difference. They ask, for example, what might have been the scenario if a Ratnakar or a Pherwani had been governor for the same period. They argue that the banking system would have kept up with the worldwide innovative changes in financial markets. New and innovative instruments could have been introduced which could have revolutionised the capital markets and at the same time given "the common man" a real return on his savings.

Similarly, in the field of exchange control, the Reserve Bank could have seized the initiative in formulating innovative approaches to our entire balance of payments issue. To quote just one recent example, in the Gulf crisis, the RBI allowed deposits from returnees without a fixed period, even without interest!

The argument against such dramatic change has always been that our system and society cannot absorb "the shock". But during this very period, the whole of East Europe and the Soviet Union itself have managed to absorb not only political but also economic change.

Could not changes on a similar scale take place in India in our economic and financial thinking and management?

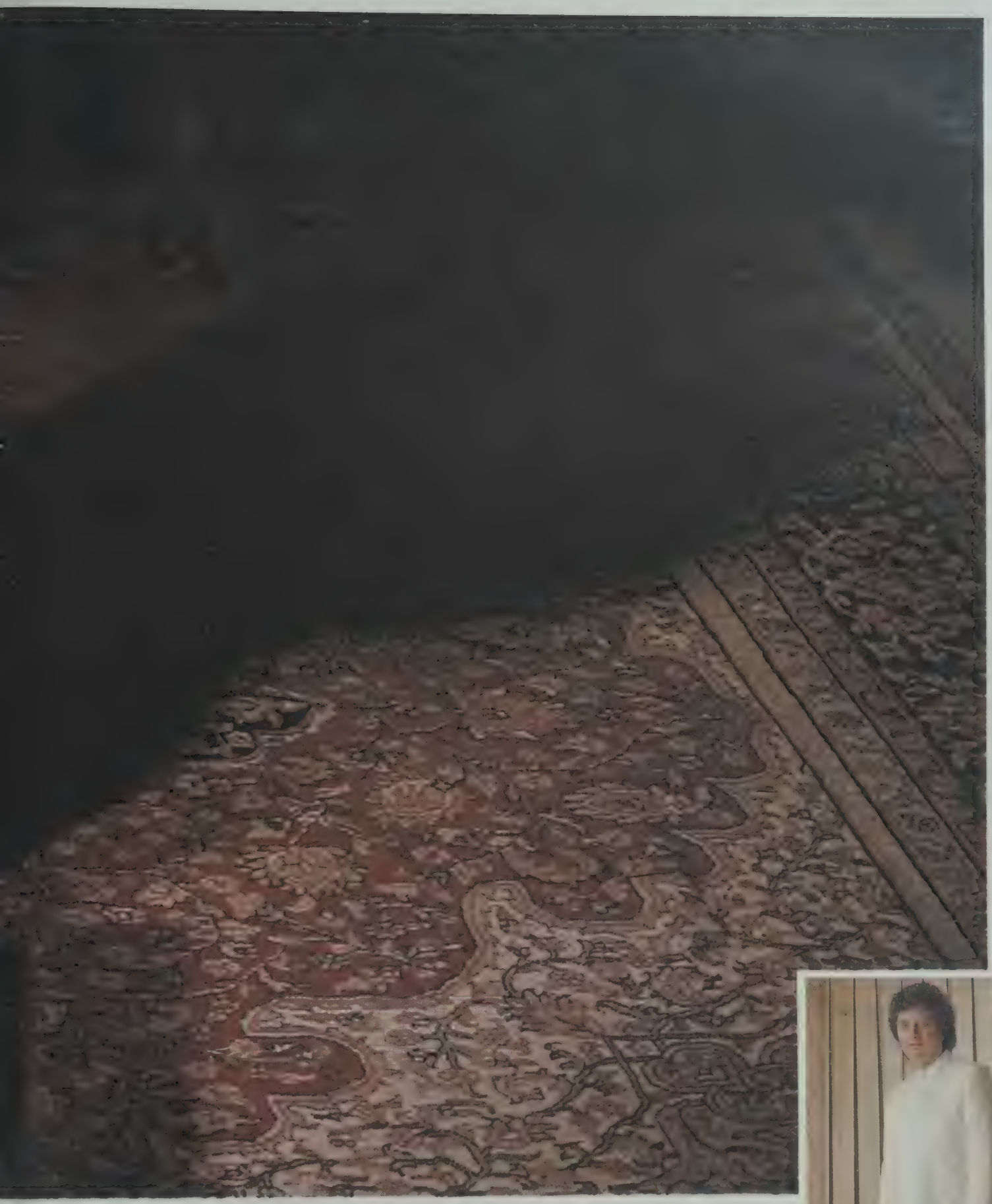
Ashok H. Advani

You don't need the magic of a maestro's touch to be a Raymond's



What paint and brus
Picasso, the Santoor is
Shiv Kumar Sharma – a
of a supremely creative
inspired hands, the San
transcended rhythm an
and sings to the world
inspired language of hi
Kashmir.

The world has, in tu



d with accolade and
he Sangeet Natak Academy
onorary Citizenship of the
ltimore, Indian Classical
rst Platinum Disc for
f the Valley and special
nces before the House of
Britain, and the Queen of
Chief Guest of India's
, at the Hague.

On social occasions, when heads turn at his presence, it is certainly *not* because of his flawless sherwani which may just happen to be tailored from Raymond's sparkle polyester, wool and silk. A fabric with impeccable feel and fall, it never fails to sing the praises of its wearer.

You don't have to be a musical genius to be a Raymond's man. For that matter, you don't even have to be a Raymond's man.

... but it helps.

Raymond's

Never say no to life.



Colour symbolism studies in India date back to Vedic times. What the great rishis discovered then about the physiological and psychological effects of colour on human beings is today borne out by scientific experiments



Colour and India – 3 Research & Design: Manu Desai

Panchamahabhutas reveal their elementary colours.

Pancha: Five. A vital number in the universe.
Take the Panchamahabhutas – the five basic elements:
Akasa – Ether
Vayu – Air
Tejas – Fire
Ap – Water
Prithvi – Earth.

Now take colour. Red, Blue, Yellow – the primary colours.
White – the union of all colours.
Black – the absence of all colours. A total of five.

The great rishis of ancient civilization assigned a distinctive colour to each of the Mahabhutas.
Black – for the ethereal space, the lost homeland from where the sun emerges.
Blue – for the life sustaining element: Air.
Red – for Fire: the celestial energy.
White – for Water without which nothing can grow or flourish.
Yellow – for the stable base that supports all life: Earth.

Three decades of dedication have given us at Colour-Chem an indepth knowledge and understanding of colour and chemistry. Enabling us to serve you with the best. Dyes for textiles; pigments for paints, printing inks, plastics and rubber; organic chemical intermediates; leather chemicals.

However, our quest continues... to seek more colourful horizons in the chemistry of colour.

Colour-Chem

Where chemistry takes many hues.

Colour-Chem Limited, 194, Churchgate Reclamation, Bombay 400 020.

HTA 1712



t's up?

ad you had the courage to hat by hastily promulgat- per cent reservation for ard classes, the govern- nas grown the seeds of a ar in the country (Edi- 3 September). And while s serious agitation in UP, Rajasthan and Delhi, the ment in typical ostrich- shion has chosen to black e news from All India Ra- d Doordarshan, as if by do- o the problem would ear. Delhi has been facing disruption of traffic be- of the agitation for more week but mention of it on ate controlled electronic was only made when ers of parliament found it lt to reach home on ac- of student *dharnas*.

SI
i

gers of secrecy

nection with the article, participation bill" (La- 3 September), it is unde- that muscle and money can play havoc if a secret is introduced to select entatives for participa- management. A secret could create apprehen- among recognised unions e exercise might expose laims in terms of repre- ive character, which in ould lead to losing their as recognised unions. In event, rival unions could exploit the situation to dvantage thereby giving room for violent industrial unrest. Nevertheless, no claim to a right to associate the workers in management can survive without the trade unions fulfilling their responsibilities.

K. GOPAKUMAR MENON
Sonepat

• Blameless

In the article on Kerala Minerals and Metals Ltd (Corporate Report, 3 September), it is mentioned that KMML's collaborator Kerr McGee walked out in 1982 at the end of their contract period leaving the work half done. While contradicting this, as I was in the team of engineers, I would like to mention that it was Kerr McGee which commissioned the project with their team of engineers from the US during 1984-85. It was the Indian consultants and a government of India enterprise that did the detailed engineering, which terminated their contract and left the work half done.

M. JAMEEL
Madras

• Unjustified hike

Banks are totally unjustified in hiking their service charges (Banking, 3 September). The contention that banks are incurring increasing overheads is all hogwash. The service provided is quite ancient. There is total dependence on the post and telegraph department whose services are anyhow suspect. Why don't all the banks together float courier service companies exclusively for the use of its members? The time taken for outstation cheques realisation would come down to the more realistic level of 7 to 10 days as against the long drawn out time it now takes.

Banking today needs to be beefed up considerably if it is to complement trade and commerce.

A. SRINIVASA MURTHY
Secunderabad

• While banks have increased their service charges, have they considered whether they have improved upon the service they used to give, say 20 years ago? In my opinion, the present hike is levied on the customer because of banks' inefficiency.

If banks use the latest technology, the need for issuing drafts, for instance, will not arise and the related costs will be eliminated. The State Bank of India has taken the right step in installing a disk antenna in its head office to speed service.

If Citibank can give a service like a personalised savings account cheque book and still adhere to RBI norms, why can't Indian banks?

SATISH HULYALKAR
Pune

• Grossly unfair

The article on industry-state nexus in Tamil Nadu (Editorial, 20 August) is grossly unfair in its portrayal of the state government's role in industrial development.

You have ignored the efforts made by the government during the last 18 months. Also, government intervention in industrial disputes is rare and occurs only when a dispute affects labour and economy adversely.

Your reference to the 'fall' of A.C. Muthiah is without any basis. It is the policy of the state government, if it holds 26 per cent of the shares in any joint sector venture, to have its own nominee as chairman and what has been done in SPIC is in line with the guidelines of the Government of India. In a joint sector enterprise, the private promoter should maintain an equity shareholding of at least 25 per cent. The private promoter of SPIC holds only 10 per cent, yet Muthiah continues to be the chief executive. This has been lost sight of in your editorial.

R. POORNALINGAM
Secretary of Government
Industries Department, State of Tamil Nadu
Madras

• Attracting NRIs

This refers to your artcile, "Managing NRI funds" (Economic Outlook, 20 August). The vulnerability of mass repatriation of the funds in the Non-Resident External Rupee and Foreign Currency Non-Resident Indian accounts and its grave consequences cannot be ruled out. Tax concessions and higher interest rate on deposits may not be attractive as long as they are available in many offshore centres as well. NRIs still consider India a safer haven. The government should reduce its repatriable liability. It should also liberalise the rules so that NRIs can participate actively in the stockmarket, issue India-based credit cards attached to NRE accounts and permit currency switchovers in FCNR accounts, etc. I suggest that Indian banks located in offshore centres should market offshore foreign currency deposits and provide international financial services to NRIs rather than just collect NRE deposits and share/debenture subscriptions.

K. ARUNACHALAM
Jeddah

• *En route* to success

It was indeed heartening to go through your article on high density polyethylene (HDPE) woven sacks (Business Notes, 20 August).

I admit that your assessment of the jute industry being "precariously balanced" is true but it will certainly win consumer confidence because of the versatility of HDPE woven sack as a bulk packaging medium. Besides, similar write-ups in leading magazines will awaken the government to the unlawful pressure exerted by the jute lobby.

M. RAMASUBRAMANIAM
Madras

• The plastic-woven sacks industry comprises of 400 small and 100 medium size units spread all over the country with a rated capacity of 160,000 tonnes.

The industry's fate, as you have rightly summed up, in the current year as well as in the future, is precariously balanced depending on the verdict of the Supreme Court on the jute packaging order of 1987.

Golden moments. McDowell momen



Unmistakably No.1... McDow

Make mine McDowell's The soda

he jute industry may not be
e to meet more than 5 per
t of the total packaging re-
rements of the fertiliser and
ent industries by the end of
eighth Five Year Plan, even if
rising trend of jute produc-
, estimated to cross 100,000
s, is taken into account. The
ernment proposal to place
itional funds at the disposal
he Indian Jute Industry Re-
ch Association for the mod-
isation of packaging units
also meet with the same fate
n the past.
he packaging order should
escinded at least for cement
fertilisers, where there is a
sumer preference for HDPE
king as it is technically supe-
and reduces wastage.

LLA
tary General
ic Woven Sacks Manufacturers'
iation
Delhi

e stand pioneers

family concern F.X. Pereira
ons Pvt Ltd were the original
ers of Kerala Minerals &
als Ltd, and not F.X. Pereira
ons Minerals as wrongly re-
ed (Corporate Report, 3
tember). After arbitrarily
ng over our factory and its
ts in 1956 without paying
compensation a long litiga-
followed with the govern-
t of Kerala. In 1971 a
lement was reached and the
l of conveyance was passed.
cidentally, we were the only
neers in India in this trade
e 1932. This trade was later monopolised by British companies — Travancore Minerals Ltd and Hoppkins and Williams Ltd later taken over by Indian Rare Earths Ltd.

F.X.J. PEREIRA
Quilon

Act before it's too late

This refers to 'Igniting sales' (Marketing, 3 September). Ceasefire's marketing strategists are skimming the uneducated market segment of India, where safety awareness is perhaps the lowest. It is common knowledge now that CFC, though a powerful extinguishing agent, is on its way out. Leading producers abroad have already planned to stop production of CFC in another 10 to 15 years. It is amazing that even organisations like the Loss Prevention Association of India (LPA) which has published a paper on accidental discharge of halons and its effects on health, are silent on this issue.

Interestingly, a Gujarat firm has recently announced that it will begin manufacturing halons. It is time the ministry of environment wakes up or we shall have the ozone layer cracking up in a few years with the continued use of halon cylinders.

S. ANANTHRAMAN
Hosur

• Fire extinguishers hitherto available in India have always been cumbersome and unwieldy. The well formulated advertisements evoke a sense of awareness in the viewer, even if he is not motivated to buy it. An educative advertisement is always retained in memory. Translation into sales takes off from there.

ANNAM S.M.
Secunderabad

• NRI: why the fuss?

It is alarming that young Indians educated here migrate to foreign countries. This creates dual losses for the country — lakhs are spent on their education here, their bank accounts abroad fetch no returns in terms of foreign exchange. The Indian government is today spending crores of rupees to fly Indian citizens stranded in Kuwait and Amman. How grateful are these Indian citizens to their country?

What does India gain if our citizens go abroad? Why do we place NRI citizens on a raised platform? Have they lived up to our expectations? It is only when the host country turns hostile that Indians abroad raise a hue and cry about their motherland

K.V. SATYAMURTHY
Bombay

• Votes, high priority

V.P. Singh is out to build his votebank by giving every conceivable concession to the minorities and backward communities purely on a religious/communal basis, while harping on national unity, integrity and the end of communalism. Allocating jobs on the basis of castes/religion will only reinforce the caste system and add to the existing communal tension.

TATYA TENDULKAR
Kolhapur

• For the record

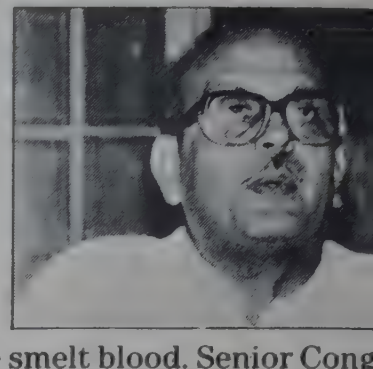
Due to an oversight there have been some errors in the figures in the Business India Super 100 (Cover Feature, 17 September). The dividend figures for Escorts, Tata Power and Indian Rayon for 1989-90 should read as 30 per cent, 20 per cent and 30 per cent respectively; Bajaj Tempo's sales figures for 1988-89 should be adjusted for eighteen months; Tata Chemicals' figures for market capitalisation should be adjusted for bonus issued in 1989-90.

Mahindra & Mahindra's figures for market capitalisation should be adjusted for rights shares issued in 1989-90; Standard Industries' market capitalisation should be adjusted for the split in face value of the share from Rs.100 to Rs.10 in 1989-90; Peico made a Rs.8.87 crore loss in 1988-89 and a Rs.16.93 profit in 1989-90 and hence should not feature in the Laggard's list; Grasim's asset value for 1989-90 should read as 1,007.85 crore; for the P/E ratio in the stockmarket section, the share price for September 1990 should have been used instead of that for September 1989.

KE FATHER, UNLIKE SON

by Joran





Delhi under siege

The capital of India is under siege. Delhi remembers 1984 and shudders. A student protests the implementation of the Mandal Commission report and is shot at by a policeman. Two others immolate themselves. Certain areas of the city are under curfew. The army has been put on alert. Trenches have been dug around the All India Institute of Medical Sciences (AIIMS). Meanwhile, the prime minister is still in office in the largest democracy in the world. Democracy? Is this our version of Tiananmen square? Who is Singh accountable to and where does the buck stop?

Does it stop with the youth of the country, of whom S.S. Chauhan, the boy who burnt himself to death on the altar of anti Mandalism, was just one representative? With the citizens of India who have civil strife on their hands which the government seems unable to control? With the home minister, Mufti Mohammed Sayeed, who stayed quiet while Rajiv Goswami, another student who had burnt himself protesting Mandal, was battling with death at Safdarjang Hospital? Or with the large unemployed populace who have no jobs, with or without Mandal?

This is the biggest crisis Singh's government — which has been tottering on the brink for a while — has had to face. Ten months into power, he is still campaigning. Surely he must resolve whether his job is to run a government or an election campaign, whether leading the country forward or consolidation of votes via Mandal is more important. Meanwhile, the other political parties have smelt blood. Senior Cong leader, Vasant Sathe, has demanded Singh's resignat has also said that his party is willing to take over the the President so desires. The BJP, one of the key sup the Janata Dal government, is also threatening to w support. BJP leaders have already made themselves

Within the Janata Dal itself, senior leaders, Arun and Biju Patnaik, are now going around saying, "I told Chandrashekhar is waiting grim-faced in the wings over. If no consensus candidate emerges, the Congr may very well grab the opportunity in case V.P.Singh to resign.

Most would agree that V.P.Singh, instead of buildi tional consensus, has created a national schism. Still,w rules would find it difficult to withdraw the Mandal re fear of losing particular vote banks. This is unfortuna framework within which national politics must now fu

Meanwhile, the 15 year old school student, Aditya who was shot in the head when riot police opened students trying to reach Safdarjang hospital may lose sight. The police fired 25 rounds into the air to dispe dents and has laid a cordon round the 2 km radius Safdarjung hospital. Many buses were set on fire. An goes, on and on. V.P. Singh may have changed the term debate. But does this give him the moral authority to in office?

To reveal or not to reveal



The information disclosed by a company in its annual report nowadays has a significant economic impact. For one, the report of a listed company is avidly read by stockmarket investors and information related to the company's prospects usually has an immediate effect on stockmarket prices. Second, over the medium term, the report is exhaustively analysed by potential lenders and investors, such as financial institutions, as well as by competitors. Even trade unions bargain on the information on wage trends, comparing them with the rewards given to shareholders and management.

Not surprisingly, corporations are careful about the information they disclose. While most reveal only what is legally necessary, India's strict accounting standards (mandatory by law too) ensures that the law requires a considerable volume of numbers is to be generated. Unfortunately, however, the statutory requirements leave scope both to provide misleading information as well as to suppress necessary information.

The tricks used to mislead are ingenious. One company capitalises interest paid on current operations, thereb stating reported (but not actual) profits. Another ref include the losses of subsidiaries in its own profit a account due to their "long-term" nature. A third pads by billing consultancy fees or sales to an associated co without collecting the amount. A fourth shifts significa demands fully off the balance sheet by routinely app against them in the courts. A fifth deducts exchange lo foreign loans directly from reserves instead of throu income statement. A sixth overvalues closing stock; and The company's auditors duly comment on these ano and, alas, offer themselves almost invariabl reappointment.

The ploy used to suppress information is less sub comes via the directors' report — the main source of inf tion for the lay reader about the company — which is cryptic with no qualitative statements whatsoever. American annual reports, wherein a variety of quali

tements is legally required about the company's products, markets in which it operates and its prospects for the ure. the directors' reports of most Indian companies give such 'feel' of the company. Analysts lose out on vital information here as well as the lay reader. The numbers in an nual report represent actual, historical costs. As the econy grows more competitive and as technology changes, the vious year's earnings or the book value of assets are less ful than they used to be as guides to the company's spects.

mproving the directors' report with a set of clear guidees should not be a difficult task for the Company Law Board LB). It may be more tough to overcome the problem of leading information both because the law always gives to new and ingenious loopholes and also because some pholes, such as the valuation of closing stock, are almost impossible to close in many cases. But at the very least, the board must insist that there can be no violation of current accounting standards. Auditors' qualifications should be restricted to contingent liabilities and not — as at present — to a violation of accepted accounting practices as well.

The CLB should go a step further. It should recognise the right of even a single shareholder to file a suit against the directors when the directors or majority shareholders themselves are unable or unwilling to act to protect his rights. This right has existed for over a hundred years in the US and since 1975 in the UK and incorporates adequate safeguards to prevent not only mala fide plaintiffs from filing suits for their nuisance value, but, importantly, also to prevent bonafide plaintiffs from being bought off by those in control of the company. It is time such relief is made available to the corporate sector in India where so few control so much with so little.

SE: keeping institutions out



ry financial market in the world rates candidates for mbership on the basis of three criteria: creditworthiness liquidity), integrity (with respect to privileged informa) and client serviceability (especially the willingness to ce client interests over personal ones). This is because it is ossible — even with the facility of maximum computation — to completely monitor brokers' trading operas in practice.

ot all exchanges have been equally successful as far as ice of members is concerned. The New York Stock Exnge members, for instance, score high on creditworthiness client servicing but low on limiting insider trading. gkong and Bombay are two examples of exchanges where three problems exist: defaults, insider trading and deding of clients. One reason is that both these exchanges e suffered from the clannish mindset of their members ling to poor self-regulation coupled with the absence of an ctive external regulating body.

India, the brokers' most important clients, public finaninstitutions, have long wanted direct access to the trading r. They argue that they fulfil the three criteria for member and, additionally, would earn useful commission income des. It is partly for the latter reason that the existing nbers of the Bombay Stock Exchange (BSE) are unanisly opposed to institutional membership. Despite nudges the finance ministry they have succeeded in keeping itutions out since they first tried to enter in 1986.

owever, the BSE's real reason for keeping institutions out ot the loss in brokerage income. While the public financial itutions give the various members of the BSE a healthy 0 crore by way of brokerage each year, this amount pales omparison with the hundreds of crores earned each year ough the brokers' own speculation based on inside information as well as from doling out bad deals to clients. By admitting institutional members, the BSE is apprehensive that its core activities, made possible only by a tightly-knit membership, will be at risk.

Yet, the public financial institutions ought to be kept out of membership. The reason is that — apart from creditworthiness — their "public" status will compound rather than ameliorate the worst excesses of stock exchanges. For one thing, they have greater access to insider information than brokers, thanks to their presence on company boards. Yet the provocation for an institution's representative on the floor of the exchange to use such information on behalf of the institution he works for — or on his own behalf — is not less than for a private broker. Second, it will be more difficult for a government-owned institution with bureaucratic controls to check price frauds on the floor than for a private broker. And as for client service, the nightmarish experiences of non-resident investors who rely on public sector banks abroad for investment advice and service is ample testimony. At a philosophical level, governmental dominance is one of the real ills of our economy. Why then let government institutions into the one organisation that has some degree of independence?

What is needed is more institutional members, but private ones. This will provide the much needed liquidity that plagues individual brokers who take high risks. And, since large reputation-conscious institutions will be easier to penalise than individual members, this will improve client servicing. It goes without saying that the BSE and the Securities and Exchange Board of India (SEBI) should press ahead with other reforms such as abolishing the blank transfer form system or improving monitoring of insider trading. But it should be clear that inducting public financial institutions as members is no solution to the problems of the Bombay Stock Exchange.

Let's celeb
of hope, drama, action, desp

The story of Simpsons is almost a parable of life. Success has been tempered with disappointment. Victory often snatched from the jaws of defeat.

Simpsons chose the way of the pioneer ... and received the baptism of fire that goes with the role. Dispelling the doubts and skepticism against motor transport took years of hard work ... but the taste of success lingers.

A long road, these 150 years. Sometimes made rocky by the disappointments and missed opportunities that are a part of human endeavour.

But in the tumultuous, eventful, changing times of Simpsons' existence, one valuable lesson remains ... that the most important thing in life is life itself.

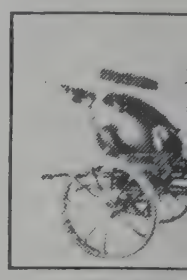
Simpsons today

From crafting horse-drawn carriages, to pioneering motorized transportation, to manufacturing diesel engines sought after for vehicular, agricultural, industrial and marine applications. That, in a nutshell, is the saga of Simpsons – from a company of artisans to a prime mover of industry.

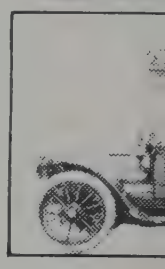
Amalgamations : powerhouse to a nation

A group of companies dedicated to a technologically advanced India. Pumping the lifeblood of a modern industrial nation. A technological titan.

That was the concept of industrialist Anantharamakrishnan and Amalgamations ... and Simpsons the hammer and chisel that sculpted it into reality. Using the experience and knowledge of a century to launch an industrial colossus. Aided in this era of progress by collaborations with a roster of world renowned corporations from Europe, the USA and Australia – Perkins, Massey Ferguson, T&N Group, United Engineering & Forgings, Van Moppes, Clevite and Repco. A roster in recent times expanded to include Yuasa, NPR, Nippon Oils & Fats of Japan, SAFT of France and Bookers of the UK.







Simpsons: catalyst of an industrial chain reaction

A Rs.720-crore conglomerate. With 29 companies. Spanning vastly diverse manufacturing and service fields. Including TAFE, Amco Batteries, Bimetal Bearings, India Pistons, Addison & Co., T. Stanes & Co., Shardlow India, Addisons Paints & Chemicals, Amalgamations Repco, George Oakes, Indiapistons - Repco, Stanes Motors, Sri Rama Vilas Service, Higginbothams ... the list goes on.

And a product portfolio ranging from diesel engines, cutting tools, tractors and paints to piston assemblies, crankshafts and clutch products. And non-manufacturing interests ranging from clearing & forwarding, hire-purchase / leasing and tyre retreading to plantation products' distribution.

And, ever conscious of the social responsibility of business, aiding in community development, health and education. Through the establishment of schools, colleges, a rehabilitation centre, hospitals, eye clinics ...

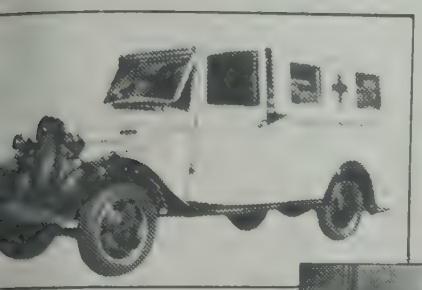
A vision come true. And yet growing. For how can something static be forged on a dynamic anvil ?

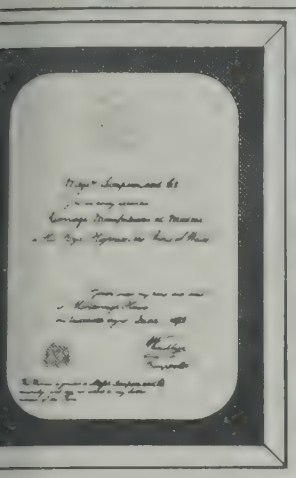
To be able to live life to the full is a blessing. But to breathe life into others ... that is a reward immeasurable in words.

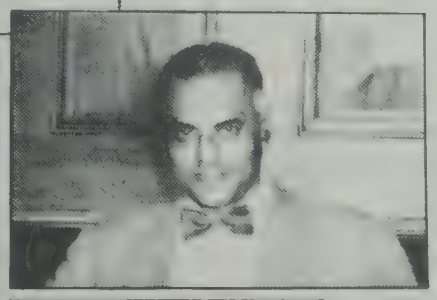
Simpson & Co. Ltd
Madras

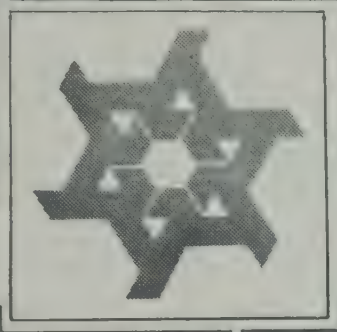
AN AMALGAMATIONS GROUP MEMBER

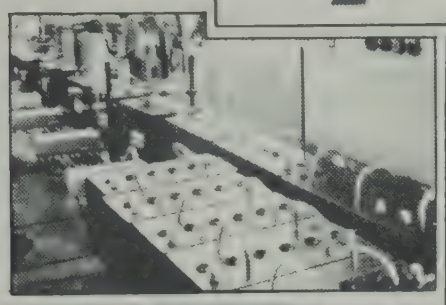
50 years
enius, joy and achievement

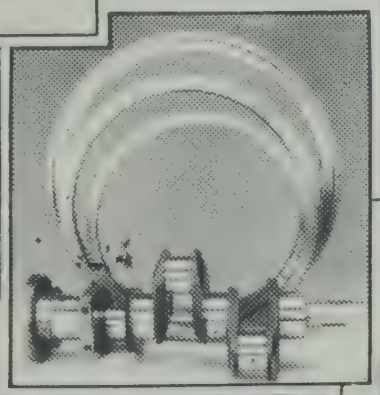


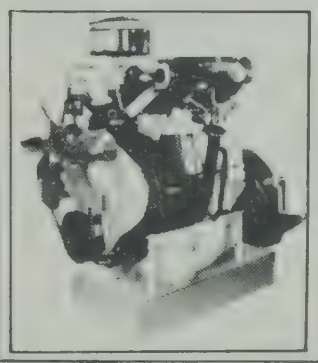




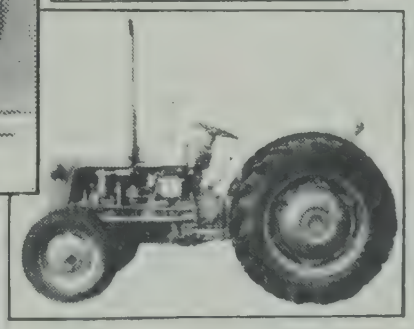


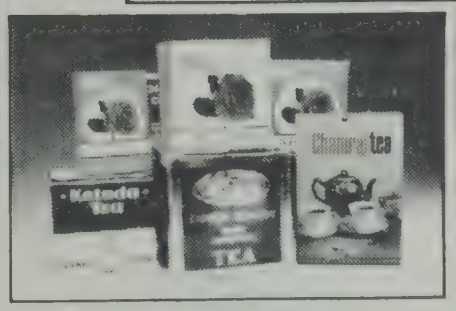










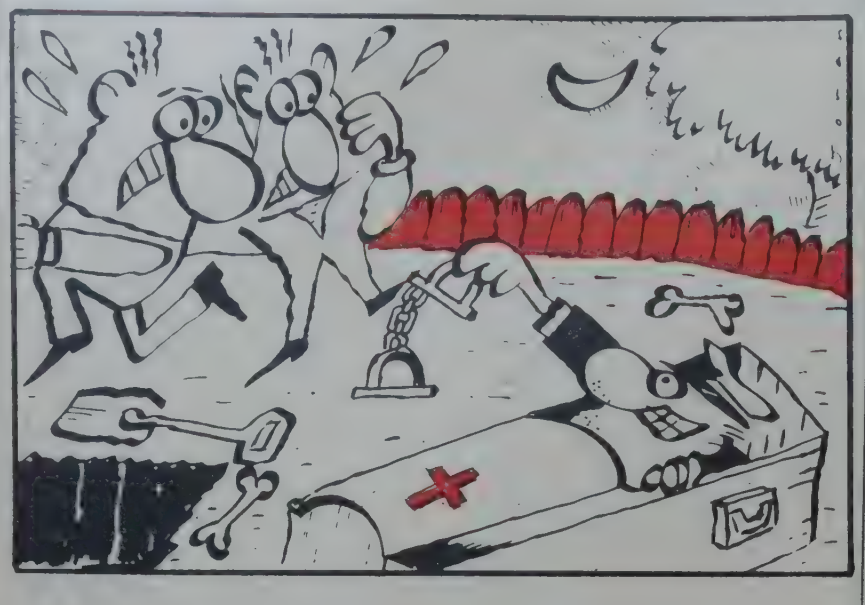


AMALGAMATIONS CELEBRATES
SIMPSONS
150
YEARS
1840-1990

The spirit of enduring enterprise

Rediffusion/AMG/90/186 R

"Grave" risk



For first year MBBS students, anatomy is the main subject and every student is required to have a set of bones. Medical College, Miraj and Krishna Medical College, Karad, being situated near each other, the demand for bones in that area almost always exceeded supply. As a result, college peons who were entrusted with the task of providing these sets attacked the graveyards in the vicinity. These thefts have now been discovered and guards posted at the graveyards.

AMOD A. KUMBHOJKAR
Sangli

Save your breath and ours

Passive smoking may soon be a thing of the past, if the smokers oblige of course!

Toshiba Corporation, Japan has started marketing a complete set of 'Smoking Clean' gadgets. The set includes a portable cigarette smoke absorber; as one exhales through it, the smoke is eliminated and smoke-free air is let out. Other accoutrements include an ashtray also built on the same principle and a unique cigarette case to discourage smoking. The cigarette case is lockable and provided with a timer which can be set for one to 99 minutes; an ideal gimmick for those trying to cut down on smoking.

The price, at Rs.2,500, might also prove a trifle discouraging. But then smoking has always been an expensive pleasure.

Sagittarius for "elders"

Young writers will no dominate the scene w comes to literary prize new award — the Sag Prize — has been ann for first published nov authors over 60. The benefactor wishes to r anonymous. The schen cover books published 1990 and closing date nominations is 21 Dec More information can from The Society of Au 84 Drayton Gardens, L SW10 9SB.

ARTI MUKHERJEE
Dubai, UAE

Remembered, fo price

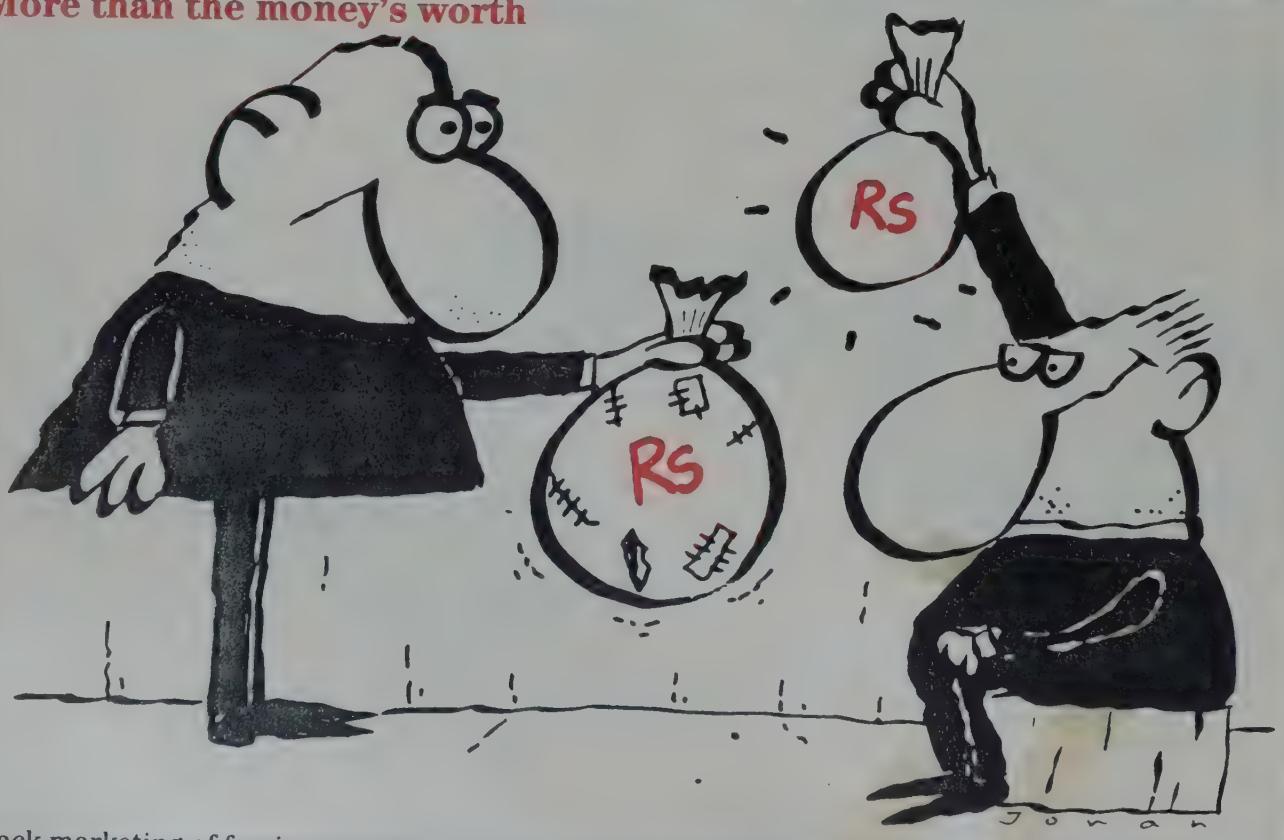
Did you ever think that road can be named afte The answer is in the affirmative but with a proviso. All one has to to buy a 15-acre ground suburb of Madras.

The layout being deve by Pallava Real Estates, charges only Rs.75,000 gives the buyer a complimentary televisio as well.

Is MRTPC watching?

JAYANTHI SRINIVASAN
Mettur Dam (TN)

More than the money's worth



Black marketing of foreign currency notes is a well known offence: but, Indian currency is not subject to the same rigours, or so it seems. Walking down the busy road from BBD Bagh to Esplanade in Calcutta, one notices a rare species of moneylenders trading new and crisp currency notes for a higher price. This exchange business gains momentum during festivals and the marriage season. As demand goes up, so does the premium.

RAMANAND SHARMA
Sirsi, Karnataka

Business India invi readers to send orig unpublished contributions to thi page. The snippets c be humorous, insigh outrageous or simpl informative. Each snippet must carry t coupon.

Rs. 50 paid for each publish contribution.

oodwinking the law

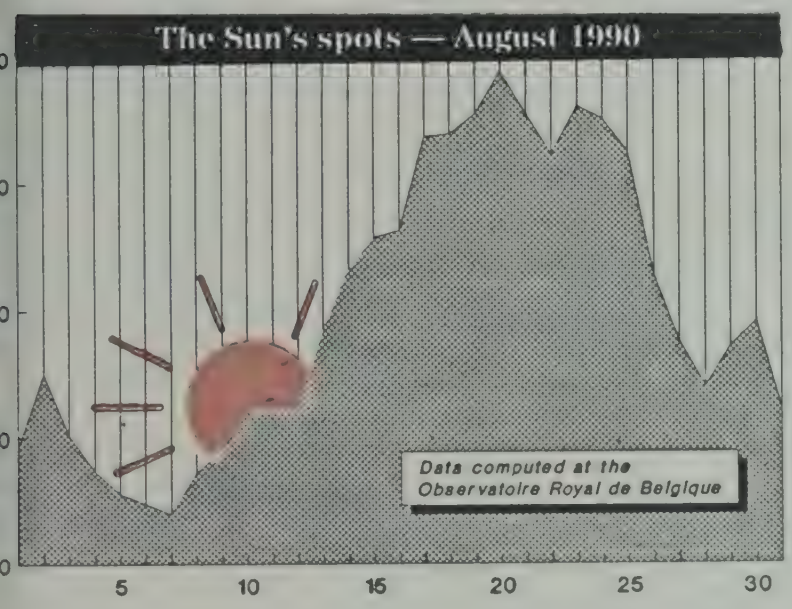
nsfer of land is generally ieved by paying a istration fee and stamp y which is often as high as 20,000. But some people in ar have devised an enious way to avoid paying s amount. And it's legal as ll.

What the clever ones do is file a suit instead of filing a transfer. The one who ns the land is sued by the other who claims the perty to be his. But since both agree on the transfer, the accused doesn't challenge the suit, and so the court then has to adjudge the case in favour of the plaintiff. A court order, being as good as a registration, the land is transferred in the name of the plaintiff and the amount involved is no more than Rs. 5,000 — the fee for filing a suit.

T.N. MUKUND
Bombay

Not so sunny" side of the sun

e of the oldest trade cycle ories was based on sun ts. William Stanley Jevons, o propounded this theory, ablished that the 11-year spot cycle, is responsible climatic changes which in n affects agriculture and economy at large. Sun ts, are comparatively ler regions on the sun h temperatures lower than



surrounding otosphere; by about 2,000 rees, are extremely bright appear dark by contrast. he sunspot cycle nprises a solar minima (a iod when the number of spots is least) to a solar xima (when the number un spots is at its peak). Records of the 22nd sun t cycle maintained by ronomers at the Nehru netarium, in Bombay, show that on 2 August the number of sun spots jumped to 175, from 146 the previous day, and on 20 August shot further up to 295. Interestingly these dates coincide with major upheavals in Kuwait.

The director of the planetarium Venkatavardan, in a radio talk some years ago had suggested that "a sun spot maxima of unusually high intensity could start yet another economic depression or a third world war".

Considering that both world wars started during periods of high solar activity, and that the next maxima extends to around 1991-92 should we brace ourselves for another holocaust?

S.C.
Bombay

Buying off loans



The $250 Billion Fannie Mae MBS Market. How Can Something So Big Be So Easy To Get Along With?

A unit by design. Because we tailored our MBS specifically for investment managers who

Steps and ARM securities. They are finding size and diversity in

The Friendly Fannie Mae MBS

by lenders across the country. No wonder they find ours to be the most aggressive MBS

For more information on our unit call Bob Sabath, VP for MBS Investor Marketing at (202) 752-6640. See you from the MBS range.

FannieMae

That Lokhandwala's Real Estate Participation Scheme (REPS) flopped, is no indication that housing finance schemes cannot take off. Take for instance the $250 billion Fannie Mae mortgage backed securities (MBS) market, in the US. The company buys off housing loans (mortgages) from lending institutions, such as banks, and issues securities, in exchange, to the public. The collateral for these securities is the mortgage, hence the term MBS.

So what's in it for the investor, one is tempted to ask.

Well for one thing , the securities are backed by the government and as such foolproof. In the second place, they offer a higher return than banks and ensure instant liquidity.

And what's Fannie Mae's gain?

A profit on the debt they rid the bank of. The banks, in order to reduce their debts and save on service expenditure, offer the loan at a concession in exchange for ready cash. And in case of default on the part of the lender the property is auctioned and the loan recovered from the proceeds. As in the case of money markets, Fannie Mae's success depends on good portfolio management.

Theme song from The Financial Wizard of Oz:

Somewhere over the counter, clear blue sky.
There's a stock that I purchased once, to diversify.
Somewhere over the counter, markups fly.
If there are men taking profits why, oh why can't I???

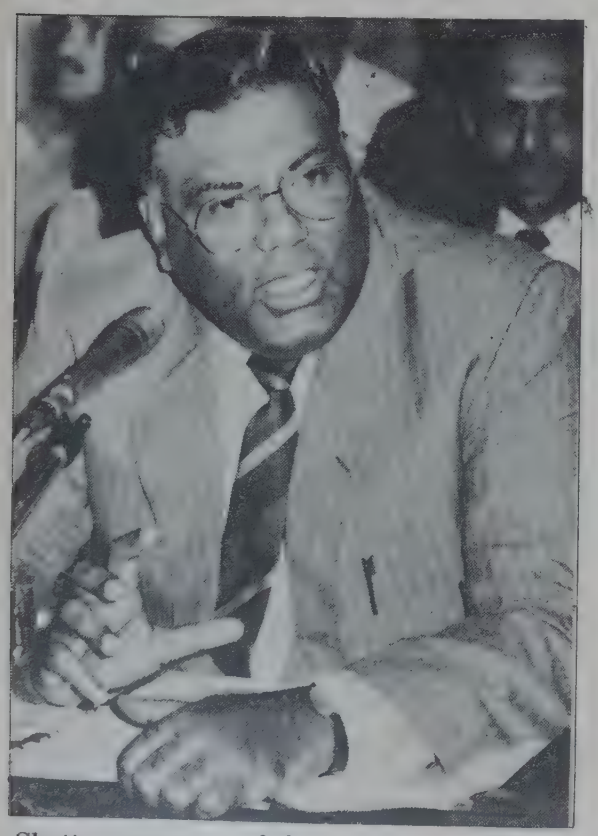
Kalyanis as financiers

There is an increasing trend among consumer durable manufacturing companies to set up finance companies to finance the sales operations of their products. Arun Firodia of Kinetic Honda tied up with Twentieth Century Finance to move his scooters. Now another Pune-based industrialist is doing the same. Baba Kalyani's Bharat Forge has bought over a part of the equity of Leafin Investments Ltd, a leasing and hire purchase company based in Hyderabad. Among other things, this company will provide loans to consumers for the purchase of TVs, VCRs and other household items manufactured by Kalyani Sharp Ltd — another Kalyani group company.

Off in a huff

On 21 September, Sadananda Shetty, chairman, Vijaya Bank, resigned from his post citing personal reasons. How personal they really were is open to speculation.

Was the resignation sparked off by the Reserve Bank's restructuring policy for eight banks, including Vijaya Bank?



Shetty: unmourned departure

Doubtful, since the chairmen were not involved in any aspect of the policy's formulation.

It is said that Shetty had stressed the need for fresh subsidies to infuse into Vijaya Bank's capital base, but his request was turned down. He had also built up a bills portfolio in excess of Rs.200 crore which contributed largely to the bank's profits in 1989-90. But the Reserve Bank, unhappy over the issue, asked him in early September to liquidate the portfolio in its entirety by the end of the month. Interestingly, about Rs.150 crore of the portfolio involved the Reliance group.

Reports about Shetty's resignation have not apparently surprised the finance minister or the finance secretary or the Reserve Bank governor (all away in Washington), which might indicate that it has been a while since he was asked to put in his papers.

Wockhardt loses out

Wockhardt Ltd, a Bombay-based pharmaceutical company owned by the Khorakiwala family (who also own the Akbarallys departmental stores in Bombay) has lost out on the distribution of a major pharmaceutical product. The Betadine range of antiseptic products, marketed by Wockhardt under license from Mundipharma of Japan has now been acquired by Winthrop Ltd, a Meerut-based pharmaceutical company. Betadine contributed about 25 per cent of Wockhardt's Rs.40 crore pharmaceutical business (total turnover: Rs.80 crore) last year and was highly profitable. Meanwhile, the Khorakiwalas are considering the idea of taking the company public, though the family is reported to be divided on the issue.

Tatas going nuclear?

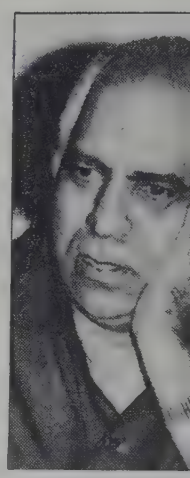
Now that the power sector has been opened up to the private sector, the hitherto unthinkable is being talked about in the corporate sector — will the government also allow the private sector to set up and manage nuclear power facilities? The grapevine has it that Tata Power, India's largest privately owned power company, might actually propose a joint sector nuclear power project to the government. The fact that Homi Sethna, who headed the country's nuclear power programme for many years as chairman of the Atomic Energy Commission, is the company supremo now, should definitely prove of great help in pushing the idea.

After ADB money

SBI Capital Markets has applie Asian Development Bank, Mani line of equity. The amount of mo Capital Markets gets will be decid by the ADB board of directors, as timing of the disbursal. Informed say CanFin and IFCI have also ap lines of equity, and that ADB plans the equivalent of $ 10 to 15 millio to all three institutions. But i known just how much each will g

This development comes in the the $ 100 million line of credit A cently extended to ICICI. As also t ADB signed with 20th Century Fund to subscribe to 25 per cen equity — a sure sign that ADB is interested in the Indian financial

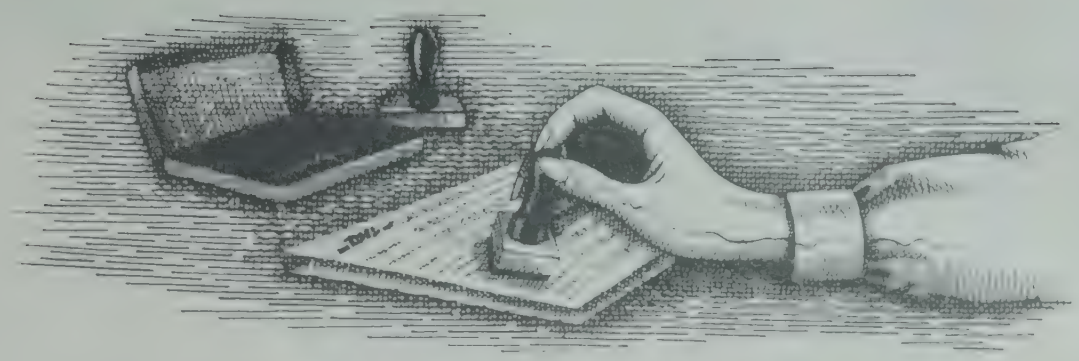
Kerala's new ventures



Nambiar: step forward

Tomco will join Kerala Ceramics, a government of Kerala enterprise, to set up a 100 per cent export oriented bone-china tableware project in the Cochin Export Processing Zone. The new company will be called Tata Ceramics, Kerala. Tomco will own 45 per cent of the Rs.7.5 crore equity, Kerala Ceramics 25 per cent and financia tutions 10 per cent. The remaining cent will be held by the British coll tor, Advanced Projects Technolog The project will have a total investm about Rs.30 crore. K.P.P. Nambiar, adviser on industries to the governm Kerala, and Tomco chairman Seth sign the agreement in London in th week of October.

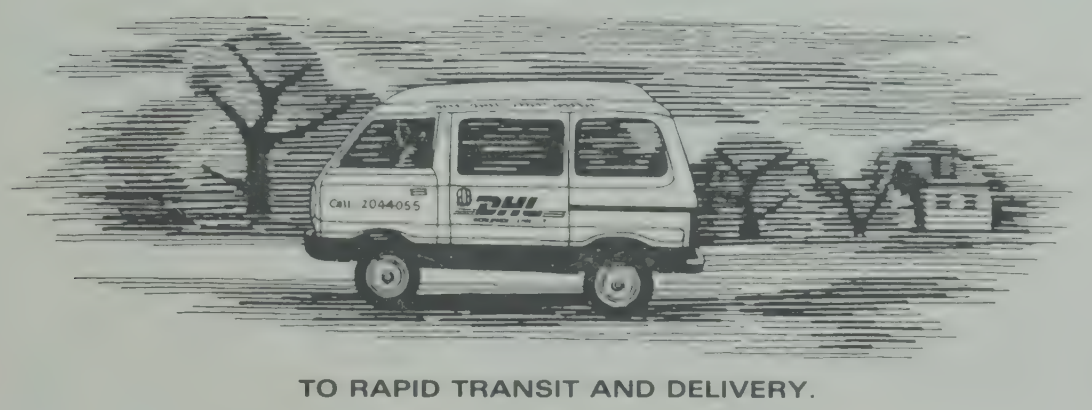
Another venture in the offing manufacture of compact discs. By t of this year, R.V. Pandit's CBS will s Rs.6 crore CD manufacturing faci Calicut, using technology from Sony pan. CBS will own 40 per cent of the in the new company, and Keltron wi a symbolic participation too. The re be offered to the public.



FROM EASY CUSTOMS CLEARANCE,



TO PROMPT DESPATCH,



TO RAPID TRANSIT AND DELIVERY.



WE TAKE IT DOOR-TO-DOOR EVERYTIME.

STILL THINK WE'RE JUST A COURIER COMPANY?

RAKA:3150:C:90

21 years ago, we pioneered the air express industry. Since then, through a network spanning over 180 countries, we've become the fastest, most reliable way of delivering packages and documents worldwide. We offer you one door-to-door service, one all-inclusive invoice, and one truly global network. You can depend on the dedication of over 20,000 professionals, supported by over 7,000 vehicles and aircraft. So if you have any packages and documents that need to be in safe hands from beginning to end, call us for an immediate pick-up.

DHL
WORLDWIDE EXPRESS®

We are listed in the Yellow Pages/Telephone Directories.

DHL. THE COURIER DIVISION OF AIRFREIGHT LIMITED.



Now a telephone that lets you call people *by their names,* not numbers.

Imagine a phone that
you to forget the numbe
party you are calling. Ju
the name or the initials o
call is made. Take a loo
Natelco ONYX Alphanu
2-line directory phone. T
super-smart phone that s
200 frequently called ph
numbers along with the
the party. And that's not
also offer you facilities li
free operation, conferen
digital clock display, cal
auto redial, etc. You'll fi
Natelco has captured yo
imagination and turned i
reality. And the ONYX
Alphanumeric is just one
telephones from the Nat
range of futuristic and
feature-packed phones t
in different models and s
suit every requirement an

NATIONAL TELECOM OF INDIA LTD. ● F 16, 17, Commerce Centre, Tardeo Road, BOMBAY-400 034. Tel: 4938080, 4948868, 4948884, 4947951/52 Telex: ... 191222 4930588 ● 41, 14 ... Complex, Karve Road, PUNE 411 004. Tel: 332374, 1352. Telex: 145679 ● Sommerset B 203, Opp. ... BANGALORE 560 001. Tel: 44 ... ● 405, Ashoka Estate, 24, Barakhamba Road, NEW DELHI-110 001. Tel: 3310299, 3315099. Telex: 33 ...

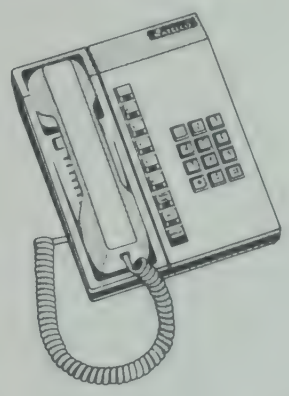
90's EPABX System

ok at the features of any tem available in India. a look at the Natelco eatures. The difference is act the Natelco EPABX is ed that it can actually ur Telephone Operator twice the number of a simple 1-step encourages all users to phisticated features of without having to a list of numerical telco can even give you ation that's just right for ver small or large.



Natelco Electronic Key Phone System

Natelco breaks the myth that key phone systems are inflexible! Presenting M616 — A sophisticated and feature-packed phone system that combines the expandability of an EPABX with the convenience of a key phone system. All you have to do is add snap-in cartridges to the Central Unit and plug in the additional phones and the M616 expands to suit your new requirements. M616 also offers you for the first time unique features like Barge-in, Travelling Class of Service and Optional Battery Backup.



Natelco Computerised Telex

Kill two birds with one stone! A telex machine that's also a word processor!! Yet so user-friendly that it hardly requires any operator training. On-screen help to guide new users, single key access to most functions, a quick reference guide that fits neatly on to the key board together with short code dialing for 100 frequently used telex numbers and networking capacity make the Natelco computerised telex unbeatable. What's more, the Natelco telex is available in 4 basic models with the option of adding two drives.



Technology: The Secret Of Better Performance.

What makes the Natelco Communication System so much superior to other similar systems available in India? It's today's technology. Take for instance the Natelco EPABX. It incorporates the very latest C-MOS, VLSI technology and is designed to offer total reliability and high MTBF.

Proved 500 Times Over

The efficiency and reliability of the Natelco range of communication systems can be easily gauged by the fact that in just a span of one year, it has over 500 installations in leading organisations. Would you install an outdated communication system in your state-of-the-art office, now that you have a choice?

NATELCO

TOTAL COMMUNICATION SYSTEMS

hnology so advanced, it's so simple to use.

ealers: • **Bombay:** [illegible] • **Ahmedabad:** [illegible] • Nagpur. [illegible] • Pune
Industries - Tel: 55356, 54560. Dial AM Computers - Tel: 660006. • **Madras:** Concepts & Devices - Tel: 865622 Global Fax Pvt. Ltd - Tel: 473084 Vijaya
• **Hyderabad:** H.P. Communication - Tel: 843147 • **Delhi:** Gurusons India - Tel: 5717222, 5719784. • **Calcutta:** Espee Enterprises - Tel: 453535, 4[illegible]

ECONOMY

Tough government stand

The government has declared that it will have to resort to harsh measures and stricter controls on the sugar industry if sugar is not made available adequately in the markets at a reasonable price.

The minister for food and civil supplies, Nathu Ram Mirdha, criticised the industry's insistence on fixing a minimum floor price, below which it will not sell sugar in the open market. As a result of this decision, free sale quotas, which were allocated to mills, were not being sold or despatched within the stipulated time. This has reportedly led to an artificial scarcity in the market, giving rise to speculation and hoarding.

GDP growth predicted

The Reserve Bank of India has projected an enhanced 5 per cent real growth in gross domestic product. It has, however, called for a significant moderation in fiscal deficit, if prices are to be kept within reasonable limits.

Foodgrain production in 1990-91 is likely to be 176.5 million tonnes, more than last year's production. The higher targets for oilseeds, sugarcane and cotton are also likely to be achieved. However, industrial growth, which was estimated at 8.3 per cent in 1989-90, is likely to slow down to about 8 per cent in the current year.

DGS&D chained

The Union government has taken away from the Directorate General of Supply and Disposal almost all its important functions leaving it with just the rate and running contracts.

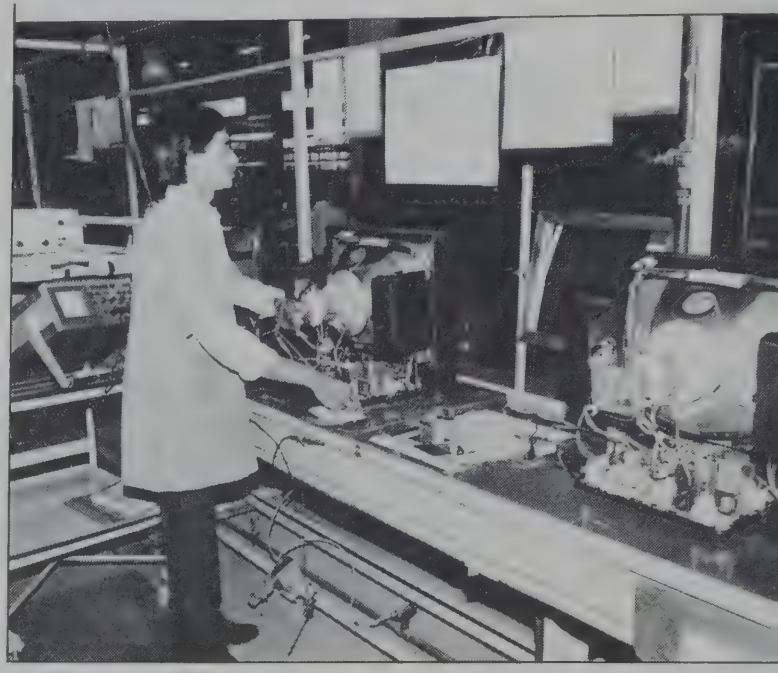
The DGS&D buys items in bulk, worth Rs.3,000 crore a year, on behalf of all Union ministries and departments. The government's decision will now affect some 4,000 employees, including 800 officers belonging to the Indian Supply Service and Indian Inspection Service. For the moment, it has been left to the user ministries to utilise their services.

Import plea rejected

The Union government has categorically rejected the television industry's request to be allowed to import 14 inch picture tubes for colour televisions (CTV).

Manufacturers of 14 inch CTVs — Onida, Bush, Crown, Texla, among others — are facing difficulties due to Samtel's refusal to supply picture tubes. However, the government's view is that imports should not be allowed since picture tubes are already manufactured in the country. The Department of Electronics (DoE) has adopted a 'wait and watch' policy and has urged the industry to do the same for another three months.





Power tariffs

In a conference last fortnight, the minister for power announced the government's decision to establish a regional tariff advisory committee. The committee will be responsible for improving the liquidity of the loss making state electricity boards.

The committee will also determine the appropriate tariff structure for electricity from central stations as well from generating stations of the state electricity boards or power utilities.

Cheaper coal

Domestic consumers and small industrial users are likely to get cheaper coal following the release of an additional eight million tonnes of coking coal worth Rs.200 crore. This decision was taken by the coal department in the ministry of energy. is part of a crash prog alleviate the shortage domestic use and to re sumption of kerosene

While six million coal will be available f

tic use, two million wil marked for 400 briquet facturing units and 1 smokeless fuel units in parts of the country.

Rupee trade withdrawal

The likely withdrawa rupee trade agreement India and the East E economies — a fall-ou process of marketisa these countries — coul sely affect India's bal trade position.

About 15 per cent o total exports are made countries and the posi ance on rupee paym steadily increased fron crore in 1984-85, to crore in 1988-89.

Workers' cooper

The Board for Indust nance and Reconst (BIFR) has adopted a policy to encourage the tion of workers' co-oper re-open viable sick units pathy, chairman,

wanted professional bodies
anage such units where
s for 50 per cent of the
y share will be provided by
state governments to
ers' co-operatives. There
2,000 large and medium
s reported sick in the coun-
nd BIFR has so far regis-
d 900 cases. Of these 615
s have been disposed off,
285 cases approved for re-
. In 20 cases, BIFR has asked
change in management.

cial diesel price

government has decided to
ly diesel oil at special prices
its exporting more than 25
ent of their production.
e rates will be comparable
ternational prices and are
esult of numerous repre-
tions to the ministry of
nerce seeking further liber-
ion in the supply of diesel
lowever, the provision of
l at international prices
e limited only to the quan-
sed for export production.

hth Plan

Eighth Plan has been
d at Rs.6,10,000 crore. Of
he public sector outlay will
.3,35,000 crore, including
0,000 crore of fresh invest-
and Rs.55,000 crore of rev-
expenditure. The plan
s that half the allocation
to the rural sector. Prior-
ll be given to infrastruc-
development, and stra-
to create employment op-
nities will be drawn up.
ignificant expansion of al-
on for essential and social
es in rural areas has also
envisaged.

PORATE

mp for Noble

Soya House Ltd, jointly
oted by Great Eastern
ing and Godrej is to be re-
Godrej plans to merge No-
oya with Vegoils Ltd, a
making Godrej company.
s deals in soya oils and ex-
tracts, while Noble Soya has launched tetrapack soya drinks. The merger will increase the Godrej holding in Noble Soya and relieve the latter's financial burden.

Tatas out of Karnal project

Tata Chemicals, which had earlier formed a joint venture with the public sector IOC, has been excluded from the Karnal refinery project. A cabinet committee, which took the decision, has decided to cancel its letter of intent to Tata Chemicals. The government has decided to let IOC handle the project on its own.

Canstar gets Rs.1,000 crore

Canstar, the income-cum-growth scheme of the Canbank Mutual Fund, has reached a record mobilisation of Rs.1,000 crore. The 500,000 odd investors in the scheme have brought the total to well above the Rs.250 crore targeted by the bank. Corporate bodies accounted for 30 per cent of the total.

Tatamobile production restarts

The production of Tatamobile has started again this month after a gap of six months. Though the appearance of the vehicle is the same, the pick-up's brake horsepower has been increased from 60 to 68 and the suspension has also been improved. An estimated 1,700 applicants are still on the waiting list for the Tatamobile.

GNFC to go it alone

Gujarat Narmada Valley Fertilizers has decided to go ahead with its TV glass shell project alone. Owen Illinois, a US - based firm, which was to be the foreign technical collaborator, has decided not to invest in the project. An MoU signed with the Chhabria group company, Mather and Platt, for partnership in the project has also fallen through. GNFC will provide 12 per cent of the total cost of Rs. 256 crore, and the rest will come from a public issue.

Rayalseema Paper Mills for sale

The BIFR is looking for new promoters for the ailing Sree Rayalseema Paper Mills. The present promoter,T.G. Vasantha Gupta, holds over 40 per cent in the company which has been making losses since the eighties. The Thapar, J.K. Singhania and R.P. Goenka groups have submitted their proposals to the BIFR for consideration.

UP Cement to privatise

The loss-making UP State Cement Corporation has been put up for sale.The public sector company has accumulated losses of over Rs. 80 crore. Six private sector companies, including ACC have been shortlisted as prospective buyers. However, the state government plans to lease the company's three plants for two years to the highest bidder before selling it.

L&T offloads RIL shares

L&T has offloaded half its total holding in Reliance Industries Ltd (RIL). L&T held a block of 4.9 million RIL shares. It is estimated that the sale realised prices of Rs.150-Rs.165 per share. According to the management, the sale was in keeping with the company's strategy of disposing RIL stock without creating an imbalance in the market.

Taj group to export shoes

The Taj group of hotels has set up an EOU for the export of shoes to Europe and the US. Taj Rhein Shoes Ltd, has been established at Noida, Delhi with an initial investment of Rs.1 crore



Buy NHB 9% Capital Bonds.
It offers 100% tax exemption plus handsome returns

Tax exemption plus growth. NHB 9% Capital Bonds have benefits in store for you – and your capital.

- Your investment earns 9% per annum payable on a six-monthly basis.
- Or, you can opt for advance payment of interest at the rate of 9% per annum for the full period of 3 years on a discounted basis, at the rate of Rs. 240 per Rs. 1000 invested, payable 3 months from the date of investment. This takes into account the interest for the intervening period of 3 months in full –so, you do not lose interest even for a single day.

Long-term Capital Gains from land, buildings, shares, securities, jewellery, etc?

NATIONAL HOUSING BANK 9% CAPITAL BONDS

- Exemption from Capital Gains Tax U/S 54E of the Income Tax Act, 1961.
- No deduction of tax at source on the interest earned.
- Exemption up to Rs. 5 lakhs from Wealth Tax U/S 5(1)(xvie) read with 5(1A) of the Wealth Tax Act, 1957 along with other eligible assets.
- Exemption of interest U/S 80L of the Income Tax Act, 1961.
- Remittance charges borne by NHB.
- Available at par throughout the year at more than 130 outlets all over the country.
- With NHB 9% Capital Bonds, you have this added satisfaction–your investment will contribute to the betterment of housing in the country.

Application forms available and accepted at:

National Housing Bank offices (Bombay & Delhi) • CANFINA offices • 125 branches of the six bankers to the issue in 51 centres: Allahabad Bank, Bank of Baroda, Canara Bank, Citibank (Sakhar Bhavan, Bombay), Punjab National Bank and Vysya Bank Ltd.

Managers to the issue: Canbank Financial Services Limited

NATIONAL HOUSING BANK
(Wholly owned by the Reserve Bank of India)

Opening New Doors On the Home Front.

Bombay Life Building, 3rd floor, 45 Veer Nariman Road, Bombay 400 023.
6th floor, Hindustan Times House, 18-20, Kasturba Gandhi Marg, New Delhi 110 001.

with the West German firm,
, holding 40 per cent of the
y. The company is concen-
ng on men's shoes for the
dle and higher income
ps and has a capacity of
) pairs per day.

stetner to market
ice equipment

etner (India) Ltd has de-
d to market office equip-
t manufactured by others
ng advantage of its wide-
ad distribution network.
a start, they will distribute
i Business Machines' elec-
c typewriters. This decision
s from the fact that there is
dy over-production in the
stry.

OUSTRY

s prices up

ncrease in gas prices as rec-
ended by the Kelkar Com-
ee will increase fertiliser
uction cost by Rs.700 crore
a period of three years end-
arch 31, 1993. The Fertilser
ciation of India, estimates
inancial burden on the in-
y to be Rs.440 crore.
e Kelkar Committee on gas
ng, in its report submitted
e petroleum ministry in May
, has recommended an an-
increase in gas price by
0 per 1,000 standard cubic
es, for three consecutive
ending 1992-93.

trol on sugar

government will resort to
measures and impose
er controls on the sugar in-
y, if adequate availability
gar at reasonable prices is
nsured.
thu Ram Mirdha, Union
ter for food and civil sup-
gave this warning while in-
rating the 56th annual
al body meeting of the
n Sugar Mills Association
A) in Bombay.
e minister said that due to
sistence on fixing a mini-
floor price, free sale

quotas, which were allocated to mills were not being sold and dispatched within the time stipulated under various orders of the government.

Rubber price hiked

A sharp fall in the price of rubber has prompted the government to take immediate steps to increase the minimum floor price and reduce the hardships faced by small rubber producers in Kerala.

The assurance was given by the Union commerce minister, Arun Nehru, to an eight member delegation of Kerala MPs and MLAs, led by Kerala Congress (M) chairman, K.M. Mani.

Cement prices frozen

The Monopolies and Restrictive Trade Practices Commission (MRTPC) has restrained cement manufacturers from raising prices further, under section 2(o) (II) and 33(1) (d) of the Monopolies and Restrictive Trade Practices Act, 1969. H.C. Gupta, acting chairman of the commission held that available evidence "prima facie establishes that there is manipulation of prices by manufacturers and unjustified costs imposed on the consumer". He further added that facts, also prima facie, proved that manufacturers were fixing the retail price of cement through cartelisation.

Since its inception 20 years ago this is the first time that the commission checked the prices of any commodity.

Licences sought

The electric arc furnace plants, seeking to expand their capacities up to 1 million tonnes have been asked to submit their application for industrial licence within four months.

A press note issued by the department of industrial development, under the industry ministry said the project profiles accompanying the proposals should indicate, inter alia, the business investment credentials of the applicant, nature of the products to be manufactured, broad details of the major plant and equipment, and the period of implementation of the project.

Request for subsidy

G. Vardaraj, chairman of Indian Cotton Mills Federation has urged the government to provide subsidy to help cotton mills scrap uneconomic and run down capacity.

Addressing the 32nd annual general meeting of the federation, he said, this would help the cotton mills to sustain modernisation and upgradation.

Vardaraj pointed out that such schemes were being followed in developed countries like France, Japan and the UK.



Industry status sought

A Planning Commission working group wants the construction sector to be considered as an industry.

The group has also suggested that a central agency be established to coordinate the policies and general strategies relating to construction and conversion of the central public works department into central public works board.

Coal shortage

Serious shortfall of coal supplies has affected production of many manufacturing units in the eastern region, particularly West Bengal, the spokesperson of the Coal Consumers Association of India said.

According to him jute mills, cement plants, foundries, paper units, refractories and chemical



factories in West Bengal have been gripped by a coal shortage.

The Railway authorities too have voiced concern about the inadequate offers from the collieries under Eastern Coalfields Ltd and Bharat Coking Coal Ltd.

Synthetic rubber under OGL

The Automotive Tyre Manufacturers' Association (ATMA) has urged the government to place synthetic rubber under open general licence (OGL) to counter the 'monopoly' of synthetic & Chemicals Ltd of UP which has

raised prices by 17 per cent in the past six months.

Official sources at ATMA say that the company has taken advantage of the monopoly and raised the price of synthetic rubber by 42 per cent over the past three years. The company is also taking advantage of the fact that import of synthetic rubber is under the restricted list.

LABOUR

Grasim dispute

Labour trouble in the Grasim unit near Kozhikode is threatening to disrupt production of rayon and silk fabric. This giant Birla factory was opened last year after a 3-year lockout. Talks between the labour union and the management have failed to resolve a dispute over bonus which involves a total payment of about Rs.5.71 crore in the fibre and pulp units.

The two units together achieved a production of Rs.32.09 crore during 1989-90. Although the pulp division earned profits of over Rs.1.75 crore, the fibre division suffered a loss amounting to Rs.17.24 lakh, as per the company's balance sheet made available to the union. The union alleges that the balance sheet has been manipulated to show the fibre division in the red to deny bonus to the workers.

Mangalore port workers

New Mangalore Port Trust (NMPT) employees are to get revised benefits as per the settlement reached between the representatives of the port and dock workers and the surface transport ministry held at New Delhi recently. Rajendran Nair, general secretary, NMPT, said that a higher salary limit for productivity linked bonus, promotions and enchanced pension were among the revised benefits to be provided. The salary limit for bonus will be raised from Rs.2,500 to Rs.3,500 and promotion accorded to employees who had served 15 years in the same post.

PSU officers' threat

The officers of the Central public sector undertakings have threatened to go on an indefinite strike, in case their long-standing demands on pay scales and dearness allowance are not fulfilled. They have drawn up a protest programme which includes a hunger strike rally, demonstration and dharnas throughout the country.

The officers had earlier deferred a two-day strike scheduled in July on the assurance of the finance minister, Madhu Dandavate and Bhagay Govardhan, the minister for programme implementation.

Allowance raised

The government has increased the special allowance for workers employed in mines, in the construction and maintenance of buildings, roads and runways and those employed in loading and unloading in railway goods sheds.



From October this year the increase for mine workers will range between Rs.2.50 to Rs.4.03 per day according to their skill. For construction workers it will be between Rs.2.91 and Rs.4.03 per day. In the case of those engaged in loading and unloading it will range between Rs.1.37 and Rs.1.95 per day. The i
allowance has been ma
basis of the average
price index.

In lieu of bonus

Union government e
not covered by any pro
linked bonus scheme
ad hoc bonus equival
days' emoluments for
The bonus is admissib
ployees on the basis
ments up to and
Rs.2,500 per month
March 1990.

SBI officers' sti

About 70,000 officers
State Bank of India
mence a direct acti
gramme against the
ment's discriminatory
torted wage structure
cers with a one-day str
October.

B.B. Das, general sec
the SBI Officers' Asso
said that for a long ti
were trying to draw th
tion of the corporate h
other senior executive
bank, to the various dis
tory measures taken by t
agement. The latest pro
was computerisation, w
management wanted t
duce without consult
officers.

DIARY

DATE	SUBJECT	ORGANISER	VENUE
4, 5 October	**Communication requirement for the integrated operation of power system**	Government of India Western Regional Electricity Board Andheri (E), Bombay	Rama Inn, Sayaji Baroda
5, 6 October	**Banking in Maharashtra — a regional profile**	Department of Commerce University of Bombay, Ranade Bhavan, Kalina, Bombay-400 098	Department of Commerce, Bomb University, Bomb
6 October	**Effective selection methodologies (workshop)**	The Personnel Lab, Management Consultants, 10223, 2nd floor, Indian Overseas Bank Bldg, Gurdwara Road, Karol Bagh, New Delhi-110 005	E-1 Qutab Hotel, New Mehrauli Ro New Delhi
8 to 13 October	**Project management**	Tata Management Training Centre, Pune-411 001	Tata Managemen Training Centre,
9, 10 October	**Export marketing of human resources**	Institute of Marketing and Management, 62 F Sujan Singh Park, New Delhi-110 003	Hotel Hyatt Rege New Delhi



...Gift a Cruiser.

On corporate/bulk orders we screen print your Company logo free of charge or also incorporate specially made emblems, monograms in lamination and other finishes as per your specifications.

For further inquiries or a personal visit from our representative please call or contact:

CRUISER

GIFT SETS

28, Sainath Industrial Estate,
Goregaon (E), Bombay-400 063.
Tel: 695773/690335/699589.
Fax No.: 91-22-6400128

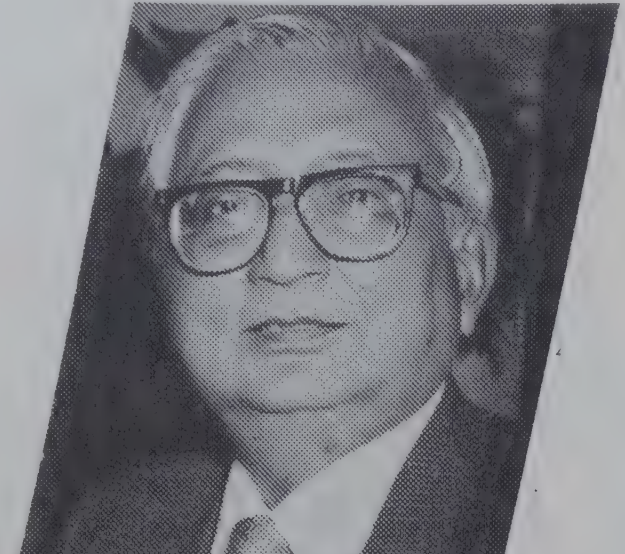
★ Hyderabad Tel: 47211 ★ Delhi Tel: 5734921
★ Ahmedabad Tel: 334254 ★ Jaipur Tel: 561600
★ Madras Tel: 569284/422873 ★ Bangalore Tel: 258936

Memorable Creations for Memorable Occasions.

Diason/CP/02/90

LARSEN & TOUBRO LIMITED – CHAIRMAN'S STATEMENT 1990

Extracts from the statement of Mr. D.N. Ghosh, Chairman, Larsen & Toubro Limited. Forty-fifth Annual General Meeting on Wednesday, September 19, 1990.



I think the occasion of our Annual General Meeting is much more than a report on the performance of the Company. For me, this is an affirmation of faith, and a coming together of all the values that have made L&T the Company it is today.

I must begin on an admittedly personal note. When I joined the L&T Board, my knowledge of L&T was limited to its pre-eminent position in the engineering industry and consistent financial performance. Only after I joined and saw this organisation from the inside was I able to fully appreciate the values on which this Company has been based. These values are of two kinds – some generally recognised as good management practices and others uniquely practised in this organisation.

The first uniqueness about L&T is the utmost simplicity of its strategic direction from its inception. In the 1950's when it became apparent that India would have a planned economy, it made astute business sense to develop expertise and technology and to be able to put the plans into execution. That, in a nutshell is the L&T corporate mainstay till now.

The second uniqueness of L&T lies in its ability to develop internal resources – both material and human – to meet market demands. This has been possible because of the conscious decisions to recruit only on merit, and develop a multitude of ancillaries and vendors in India and abroad. The concept of Human Capital is an integral part of L&T's manpower resource development.

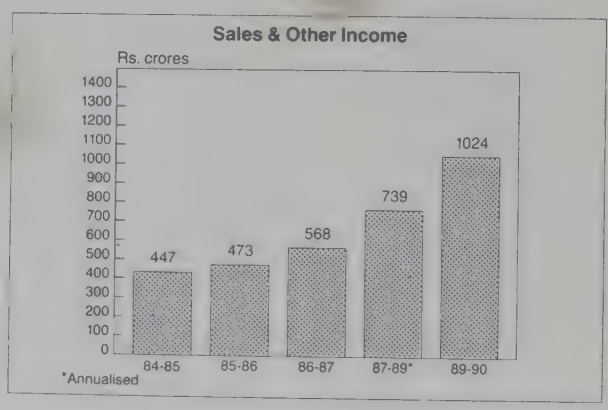
Finally the one feature that has impressed me in L&T's ability to assimilate new technology from abroad and it into action. More importantly, L&T's style has been to inte technologies into the ongoing workstream. In this context that the assimilation of technology – our critical success fac sible only with the right kind of people.

What, then, is L&T today? A pioneer in the manufac equipment, hydraulic excavators, nuclear reactors; the lar facturer of low tension switchgear; a major innovator in c technology; a leading manufacturer of plant and machin industries, space research, defence projects; and a major premium quality cement. A result of correct reading of absorption of expertise from foreign collaborators and d through intensive in-house R&D efforts. And all this, with a c tise characteristic of engineers, moulded by a strong sens sionalism and the backing of a sound organisation.

PERFORMANCE DURING THE LAST YE

It is against this background that I am proud to hig features of our operation, reflected in financial terms for the ing 31st March 1990.

A healthy growth of 38.5% in net sales and other i made us a Rs. 1024-crore Company in 1989-90. That squarely among the top 5 private sector giants in the coun far the biggest in our chosen business — a diversified ma Company making engineering products. Over 50% grow before tax and profit after tax testifies to the efficiency with operations have been carried out.



Since t ning, L& an unb tory o dividen that is enough kind of share place in

EXCITING GROWTH PLANS

We can look back at last year with a justifiable degree of pride. estion is, where do we go from here. When I joined the Compa- e were many exciting new projects at advanced stages of finali- here are projects in cement, heavy engineering, plastic and ing machinery, electricals and electronics, and construction. ve got to know our businesses better, the basic philosophy of xpansion and diversification has become clear. It can be sum- in a short phrase: "DOING MORE OF WHAT WE DO BEST". cess is one of both widening and deepening our businesses – g our interests carefully in well evaluated strength areas, and ing our activities in the areas we are already involved in.

OUR STRENGTH AREAS

I would like to dwell a little on an issue that is of critical impor- r a country of our size and in our state of development.

India is facing an enormous Balance of Payments problem alls for drastic measures to step up exports, and thus foreign ge earnings. These are no longer easy to come by. Every dollar e fought for, in direct competition with established world lead- e look at potential sources for foreign exchange earnings, man- d goods (as opposed to minerals, handicrafts, tourism and oft" products), is now the critical area where we must succeed. onger enough for us to be competitive with imported goods at ded price in India. It is imperative that we be viable contenders se goods in their countries of origin.

One school of thought calls for an immediate and complete up of the Indian industry to international competition and tech- have major reservations about this. We have to view this situ- h maturity and restraint. We have not just to import technology reate a sustainable source of wealth generation for decades to his will happen by a concerted effort to assimilate the technol- lligently and very quickly. In fact the draft of the approach to the ive Year Plan states "A substantial cost reduction in the inter- and capital goods industries will have a powerful and wide effect on costs and competitiveness in all segments of Indian This calls for a purposive and far-sighted policy to achieve a nt and dynamic technological and manufacturing capability. Import of know-how should be accompanied by measures to build up and utilise indigenous capability for design and engineering as well as technological improvement. The formulation of a long – term action programme with this perspective should, therefore, command a high priority."

FUTURE PERSPECTIVES

This is exactly what L&T has been doing ever since inception and should continue to do in the future. The key to successfully implementing this policy is to develop human capital because this is what converts technology into a means of production and a means for producing wealth. L&T has had very fruitful relationships with world leaders in technology, and has ensured that the interaction has been equally profitable. We need to express our deep sense of appreciation to our collaborators all over the world and to our human capital, which has made this possible.

What do we need to do in the future? Starting from the solid base we have established in India, we should now strengthen ourselves further while the world opens up. The impetus for doing so has to be self-generated, and should not be based on Government pressures like the "export imperative". We cannot afford to be complacent about our pre-eminent position in the Indian industrial scene. We are proud of our professionalism and expertise in India and we now need to set higher benchmarks for ourselves, in the global arena. To put it in a nutshell, L&T should now look at itself as a global player.

We are at the threshold of a new phase in L&T's history, as indeed we were in the 1950's. Then, we decided to closely follow the development of the core sector in India. Today, we need to follow industrial development worldwide.

In conclusion, I would like to thank all our business associates, our dedicated employees, the directors on the Board, our collaborators, and our valued customers, for having helped the Company to make this year so successful.I also wish to thank our shareholders for the confidence they continue to place in the Company.

I wish all of you the very best.

Thank you.

This does not purport to be a report of the proceedings of the Annual General Meeting.

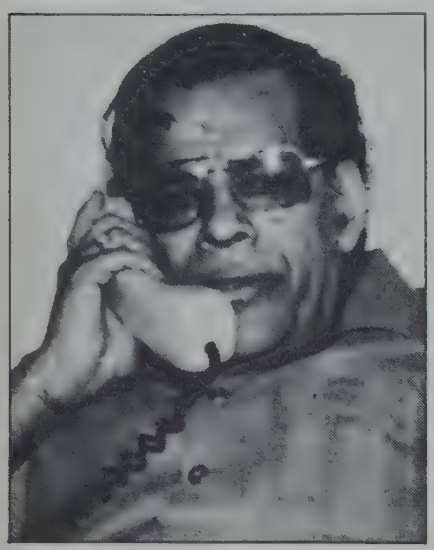
LARSEN & TOUBRO LIMITED

AS SOLID
AS WHAT WE BUILD.

Contract.L&T.317.90.

M.P. NARAYANAN

For the first time in several years, Coal India Ltd (CIL) has earned a net profit, though chairman M.P. Narayanan won't disclose the exact figures as they are yet to be presented in Parliament. According to Narayanan, CIL has been able to turn around by reducing production costs. "While output from open cast mining has risen, production in certain underground mines is



also on its way up."

The company has initiated efforts to recover Rs.2,000 crore in outstandings from the various states. The Centre too has issued notices to the erring state governments that the outstandings will gradually be deducted out of the Centre's plan allocations. Adds Narayanan, "During 1990-91, a fresh investment of Rs.2,000 crore is planned on CIL. The company also intends to output 194 million tonnes of coal against 178.8 million tonnes last year."

V. KRISHNAMURTHY

Rikvin Floors Ltd (RFL) wants to tap the middle class segment for vinyl floor tiles. Says V.Krishnamurthy, president RFL, "Taking into consideration the easy and large availability of silica quartz in India, quartz reinforced vinyl floor tiles will be a low-priced product." RFL is currently setting up a plant in Andhra Pradesh to manufacture



1.8 million square metres per annum of tiles.

According to Krishnamurthy, the product is abrasion and indentation resistant. The company's collaborator — Rieber & Sons, Norway — has a buy back arrangement with RFL. "We're going to introduce the do-it-yourself concept where the user would be guided to paste the tile in a simple and easy manner," he adds.

V.S. SRINIVASAN

Twentieth Century Finance Corporation (TCFC), Bombay, and Kinetic Engineering Ltd of Pune have joined hands to launch a new company, 20th Century Kinetic Finance. The vice-president of TCFC, V.S. Srinivasan, will be the managing director of the company to be based in Pune. The company which at present has a share capital of Rs.3 crore hopes to do business worth Rs.7 crore in the coming six months ending March 1991. Says Srinivasan, "The company

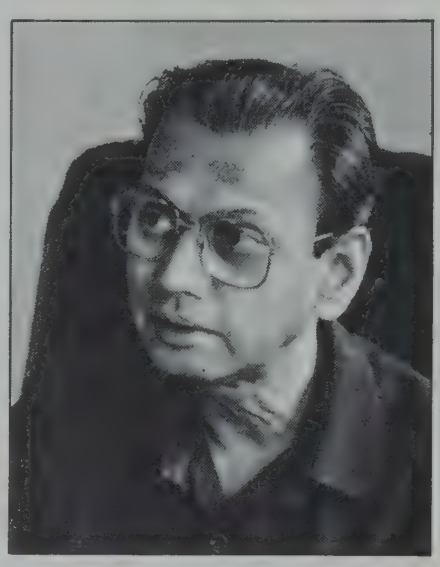


will go public 18 months from now, after we have proven ourselves."

The new company will offer nine different schemes with interest rates varying from 9 to 14 per cent. "It is hassle-free, walk-away finance for buyers of Kinetic mopeds and scooters." The scheme will initially be available in 60 towns in Madhya Pradesh, Gujarat and Maharashtra. About 90 dealers in these states are participating in the equity.

M.V. SHIDORE

"We plan to diversify into real estate soon," says M.V. Shidore, managing director of Kishore Leasing. Initially the company



plans to build commercial complexes in Pune and subsequently residential units, in developing towns like Ahmednagar, Aurangabad, Kolhapur, Nasik etc. The company is hoping to get clearance from the Monopolies and Restrictive Trade Practices Commission within the next three months. "The new business will boost profitability and help consolidate the company's operations," says Shidore.

R. SUBRAMANIUM

After establishing itself in south India, Sterling Holiday Resorts (India) is now spreading its wings to other parts of the country. Sterling, which operates a resort each in Kodaikanal and Ooty, is at present engaged in de-

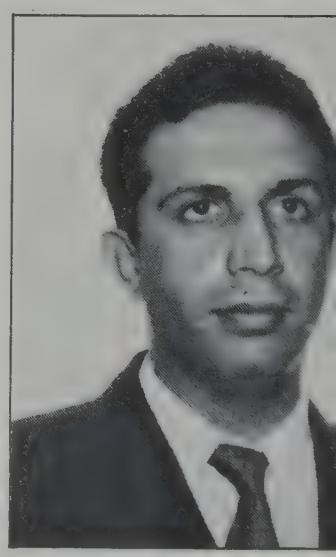


veloping time-share ho
sorts. Says R. Subrar
managing director of t
pany, "We've already sc
time shares, to as ma
tomers, worth Rs.10 cro

A chartered accoun
profession, Subramaniu
of the three promoters
ling and has worked on s
jects abroad for four yea
one-time payment of Rs
Sterling offers a one-we
tion every year for 100 y

PARVEZ DAMAN

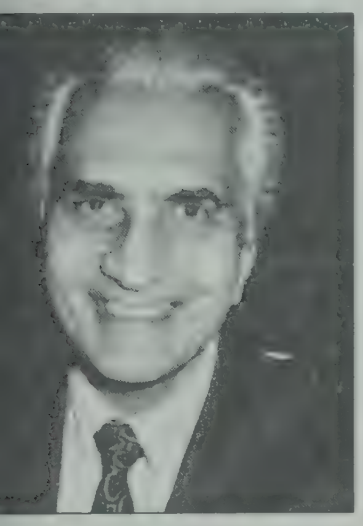
"This will be the countr
est integrated broiler
tion unit," says Parvez D
director and promoter
tec Hatcheries and Food
the project estimated
Rs.9.50 crore. The projec
to exploit a poultry mar
has grown at the rate o
cent in the last decade. T
pany will introduce the "
one farm" concept wh
been catching on in th
oped world over the pa



s. According to the concept, chicks of the same age are in one farm.
e project will have ten dif- nt sites located in and nd Ahmednagar. Says Dam- "There will be a hatchery 30,000 breeding stock giv- an output of 50,000 chicks veek and eight broiler farms located at different sites a total capacity of 400,000 s per week." To part-finance project, Damania will take ompany to the capital mar- oon.

S.B. JHAVERI

orts of groundnut extract shown a quantum jump Rs.50 crore in 1989 to Rs.83 e this year. Says S.B. Jhaveri,



man of the Groundnut Ex- Export Development As- tion, the canalising agency ne export of groundnut oil- s, "During this oil year (No- ber 1989-October 1990), rts have doubled in terms lue and trebled in terms of ne." The de-oiled cake used nimal feed is mostly ex- d to rupee trade areas and outh east Asian countries.

K. MUKHOPADHYAY

more than ever before, sters and industrialists are ming increasingly con- d about the environment. U.K. Mukhopadhyay, secre- (energy and environment), rnment of Maharashtra, "It is no longer enough to just promote industries. Balancing growth with environment protection is also imperative."

In a three-phase approach toward this end to be undertaken by the ministry, Mukhopadhyay will first make an inventory of all polluting industries in Maharashtra. In the second phase, he will identify technologies and processes that control the levels of pollution. And finally, the state will be "greened" by planting as many trees as possible.

FRANK TEDESCO

India is fast emerging as an industrial power which produces sophisticated goods but it has some catching up to do qualitywise, according to Frank Tedesco, vice-president of the well-known Juran Institute, USA. Tedesco was recently in India representing his institute at the Qimpro Convention 90.

On his fourth visit to the country, Tedesco is impressed by how



quickly Indian managers have learnt to produce high quality goods despite the constraints. "It would be much better for Indian industry if the market was allowed to lay the standard for goods rather than the law," he says.

VERNON ELLIS

Computerisation is not synonymous with efficiency, as most companies would like to believe, according to Vernon Ellis, area



managing partner (Europe, Middle East, Africa), of Arthur Andersen Consulting Operations, the international management consultancy firm. Operations don't get streamlined just by computerising functions like material flow, accounting, etc. " To be effective," says Ellis, "business and technology needs to be integrated properly."

Visiting India at the behest of the Harvard Business School Association of India, Ellis delivered a lecture on systems integration at the association's annual celebrations.

NIGEL R. HARDS

He is a jet set executive. "I virtually live in planes," says Nigel R. Hards, the Thomas Cook director (international markets), who was recently in India to review the Indian operations. Hards controls 100 countries though Thomas Cook operates in only 87 of them. According to



Hards, the group's commitment to its Indian operations is greater than its 40 per cent equity investment here would suggest.

Thomas Cook opened a business centre at its head office in Bombay in the first week of September. Called the Executive Plaza, the centre provides a wide range of services for businesspersons. "Thomas Cook will celebrate its 150th anniversary worldwide in July 1991. As part of the celebrations, we have planned a 30-day round-the-world tour for 150 Indian passengers on a chartered aircraft," says Hards.

DAVID BARRETT

Minnesota, the home of the famous Mayo Medical Foundation in the US, is a long way from Bombay. But not for Dr.David Barrett, a Mayo urologist who



moves between the US, Europe and several Asian countries as easily as other people might commute to work.

Last month, Barrett was in Bombay to help promote and popularise a range of equipment that Pfizer (India) Ltd has just launched. "For many people, these items can mean a drastic improvement in the quality of life," says Barrett, about one of the new products — an artificial sphinctor for those who are unable to control the passage of urine. He is also here to train a number of Indian surgeons in the surgical treatment of sexual disabilities.

INSTALLATIONS FOR HIGH-FREQUENCY WELDING WITH LAMP GENERATORS

Ideal Connection Simultaneously Over the Whole Welding Circuit

- during 5 s welds up a part over a 3-m closed circuit;
- ensures high efficiency in production of straight-seamed, spiral-seamed and ribbed tubes, non-closed profiles, sheathings of electric cables and in joining parts of the same type along the rolled edges;
- material of parts being welded : low-carbon and alloyed steels, aluminium, copper, titanium and their alloys:combinations of heterogeneous metals andalloys;
- provides : stabilization of anode voltage; smooth adjustment of voltage at loading; quickly operating anti-emergency protection system; automatic adjustment of duties (on Customer's request);
- installations are carried out in the form of separate blocks;
- inductor is fulfiled in accordance with the drawing of the Customer.



ELTEMEK®

Exporter :

V/O SOVELECTRO
Cor. 1, ½, Sadovaya-Spasskaya Ul.,
Moscow, 107078, USSR,
Phone : 208-28-37

RYLIC KNITWEAR EXPORTS

eft high and dry in the Gulf

ong those affected by the continuing is in the Gulf are the 30,000 knitwear ort units in Ludhiana, Punjab. Last , they exported acrylic knitwear th Rs.20 crore to the Gulf countries — , Kuwait, Saudi Arabia, Qatar and Jor-. This year, orders from the Gulf are a tion of the normal number. The crisis ck at the peak of the exporting season. ost orders placed with Indian ex-ers in July-August are shipped in Au- and September. The mild Gulf winter ns in October and lasts only two ths. If the situation doesn't improve



sees limited scope in clearing inventories

ediately, the exporters' earnings will tenth of the expected Rs.50 crore this

cording to Anoop Bhakku, a leading ic knitwear exporter to the Gulf, s in India and the Gulf have only ad-o the exporters' problems. "Earlier, were fairly liberal. But since the crisis n they have been cancelling credit re-ts on the smallest of errors in docu-s," says Bhakku.

rs shy away. Buyers in the Gulf have n little interest in accepting ship-s and a number of acrylic knitwear ignments are lying unclaimed with ping agents in Bombay. The units in iana have stopped production and own stores are filled with manufac-l material. Says Vinod Adya of Adya years: "Most of our profits come from the export incentives provided by the government. I suspect we're going to lose them this year."

D.R. Dhand, president of the Acrylic Worsted Spinners Association in Ludhiana, says the insurance agencies too have backed out of covering risks on shipments to Iraq, Kuwait and Jordan. "Of the Rs.30 crore orders that we had booked before the trouble in the Gulf, we have sent goods worth only Rs.6 crore so far," he says. Exports to Saudi Arabia, the largest importer of Indian acrylic knitwear have been only 40 per cent of the pre-crisis orders, he says. Dhand also accuses the Export Credit Guarantee Corporation (ECGC) of playing truant when the exporters need its services the most.

According to an ECGC official, the risk rating for Gulf countries has been re-assessed in the changed circumstances. "We have consequently put Iran and Kuwait on the restricted cover list. Saudi Arabia, Jordan and Qatar also have been downgraded to category 'C' from 'B'."

According to the ECGC official, few Ludhiana-based exporters earlier bought ECGC's risk cover policies and are only now approaching the corporation. With Iraq and Kuwait on the restricted list, ECGC is now dealing only with special applications made for exports to those countries and is strictly investigating the credit worthiness of buyers before granting credit limits. "This is a normal insurance practice — not to insure 'hara-kiri', which exporting to Iraq and Kuwait virtually amounts to now."

No domestic hope. The exporting community now forces a Hobson's choice. With the uncertainty in overseas markets, they are not hopeful of the domestic market coming to their aid and foresee difficulties in disposal of the garments. "Designs and sizes of export goods are quite different from Indian preferences. So we see limited scope in clearing the inventories that are piling up in the Indian markets," says Adya. "Even if we can ship our products later, they would by then be old stock, bringing in lower realisations."

As the losses of the acrylic knitwear exporters mount, there are reports that enterprising exporters from Taiwan and Hong Kong are moving in. Says Dhand, "If the banks and the insurance companies don't back us now, this lucrative market may be lost to us altogether."

Clearly, there are banks which are willing to back other exporters looking at this market. Have Indian banks given up hope already?

■ FEROZ AHMED

INDIAN BANKS' ASSOCIATION

Unprecedented election

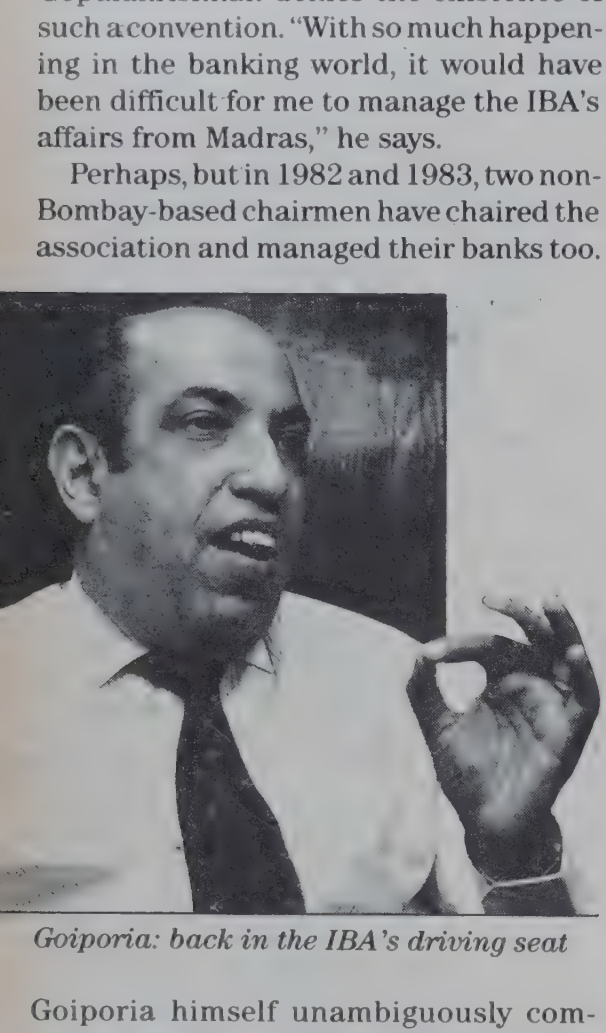
The election of the chairman of the apex body of bank managements — Indian Banks' Association (IBA) — is an annual and normally routine affair. But the election of SBI chairman M.N. Goiporia as chairman of the association was interesting in more ways than one. Year after year, the seniormost member of IBA's managing committee is "unanimously" elected IBA chairman. His term corresponds with his tenure as bank chairman but is subject to an unwritten code. If his term as bank chairman extends beyond three years, he voluntarily relinquishes the IBA chairmanship — a precedent set by the former SBI chairman, P.C.D. Nambiar, in 1982.

In 1987, after his third consecutive term as IBA chairman, Goiporia, then chairman of Central Bank of India, stepped down. He was succeeded by Bank of India chairman R. Srinivasan, then deputy chairman of the IBA. This year, following the three-year cycle, they switched again — Srinivasan giving way to Goiporia on 5 September. But close observers of the

IBA indicate that for the first time in the association's 42 years of existence, the Reserve Bank of India had involved itself in its affairs. They say that the country's central bank covertly indicated its preference for Goiporia as IBA chairman.

Candidacy from Madras. Convention should have dictated that IBA deputy chairman P.S. Gopalakrishnan, the chairman and managing director of Indian Overseas Bank, Madras, be appointed the association's new chairman. But Gopalakrishnan denies the existence of such a convention. "With so much happening in the banking world, it would have been difficult for me to manage the IBA's affairs from Madras," he says.

Perhaps, but in 1982 and 1983, two non-Bombay-based chairmen have chaired the association and managed their banks too.



Goiporia: back in the IBA's driving seat

Goiporia himself unambiguously comments, "There is nothing wrong if someone wants a seasoned banker to hold such a responsible position." Srinivasan, vehemently denies an RBI interest in the associatin's affairs. Says he, "Why should the RBI tell us who our next chairman will be? We will elect our leader as we wish."

An IBA chairman is expected to have one pre-eminent quality — the ability to coherently preside over the 83 diverse member banks. And Gopalakrishnan is not perceived as having this pre-requisite for chairmanship by the authorities. Despite the several disclaimers of any perceived RBI interest, its bias toward Goiporia was evident since his appointment as SBI chairman this February. His record as a non-controversial and senior banker stood Goiporia in good stead then. And now, the SBI chairmanship has helped propel him back into the IBA chair.

Undoubtedly, the SBI's participation in the association's affairs is vital — financially and functionally. But barring those years when its chairman was the IBA chairman, the SBI has kept aloof from the IBA. In the last few years, in fact, the State Bank's tendency to consider itself a class apart from the other IBA members has become conspicuous. D.N. Ghosh, Goiporia's predecessor at SBI, who was a member on IBA's managing committee, could not be appointed IBA chairman because of the association's rules. Ghosh therefore participated only nominally in IBA affairs.

Better deal. That the SBI considered itself larger than the framework of the IBA became even more apparent when the bank's employees' unions signed a wage agreement with the management. True, the agreement was a better deal for both, compared to the industry level settlement signed by the IBA. But the SBI's dismissal of IBA norms became too evident and embarrassing for the authorities to ignore.

Goiporia's respect for authority and his background — he came to the SBI from smaller banks — have led banking circles to believe that he will influence and tone down SBI's big brother attitude. His appointment will also appease those who criticised the government for inducting the SBI chairman into the committee to appoint bank chairmen and executive directors. The critics' argument was that the IBA chairman was better placed to spot talent through the IBA forum. Although by default, Goiporia's appointment silences the critics.

■ ALPANA KILLAWALA

BIRDFEED

Soaring exports

The export of nigerseed has received a boost ever since export of this birdfeed component was taken over by government canalising agencies. Traders' apprehensions of the effects of canalisation have thus been set aside.

Comparative estimates for the months April to July 1990 and the same period in 1989 (when exports were decanalised) show that the volume of export has gone up to 7,900 tonnes from 2,800 tonnes. The unit value of the 'shelling price' too has risen, to Rs.10.24 per kg from the earlier Rs.7.84. Consequently foreign exchange earnings have also climbed from Rs.2.24 crore earlier to Rs.8.10 crore between April and July this year.

"Ruinous policy". The frequent in government policy has only c confusion and spoiled Indian cha the international market, say exp India is the largest producer of nig with a production base of 150,(200,000 tonnes a year. Ethiopia second. Exporters claim that buyers like the US, Holland, West Ge and Belgium are wary of depend India for nigerseed. They are look substitutes to mix in birdfeed as N (National Agricultural Cooperativ keting Federation of India) and T (Tribal Co-operative Marketing De ment Federation) are charging hig nopoly export prices. Also, Hungary and Brazil are planning on ing the nigerseed market with a st 250-300 thousand tonnes per a (tpa) valued at Rs.250 crore.

Trade sources are confident tha liberal export policy they could e much as Rs.30-50 crore per annu expand India's market share furthe Indian Oil and Produce Exporters ciation (IOPEA), which was the mo ing agency during the decanali period, has submitted a memorand the commerce ministry stating this

NAFED was the canalising agen nigerseed export from September 1 April 1990. Export was decanali April 1988 and placed under ((Open General Licence) with IOP the monitoring agency. During can years, nigerseed export was 6,50 fetching about Rs.7 crore each year. first year after decanalisation, expo most doubled to 13,500 tonnes ea Rs.14 crore in foreign exchange.

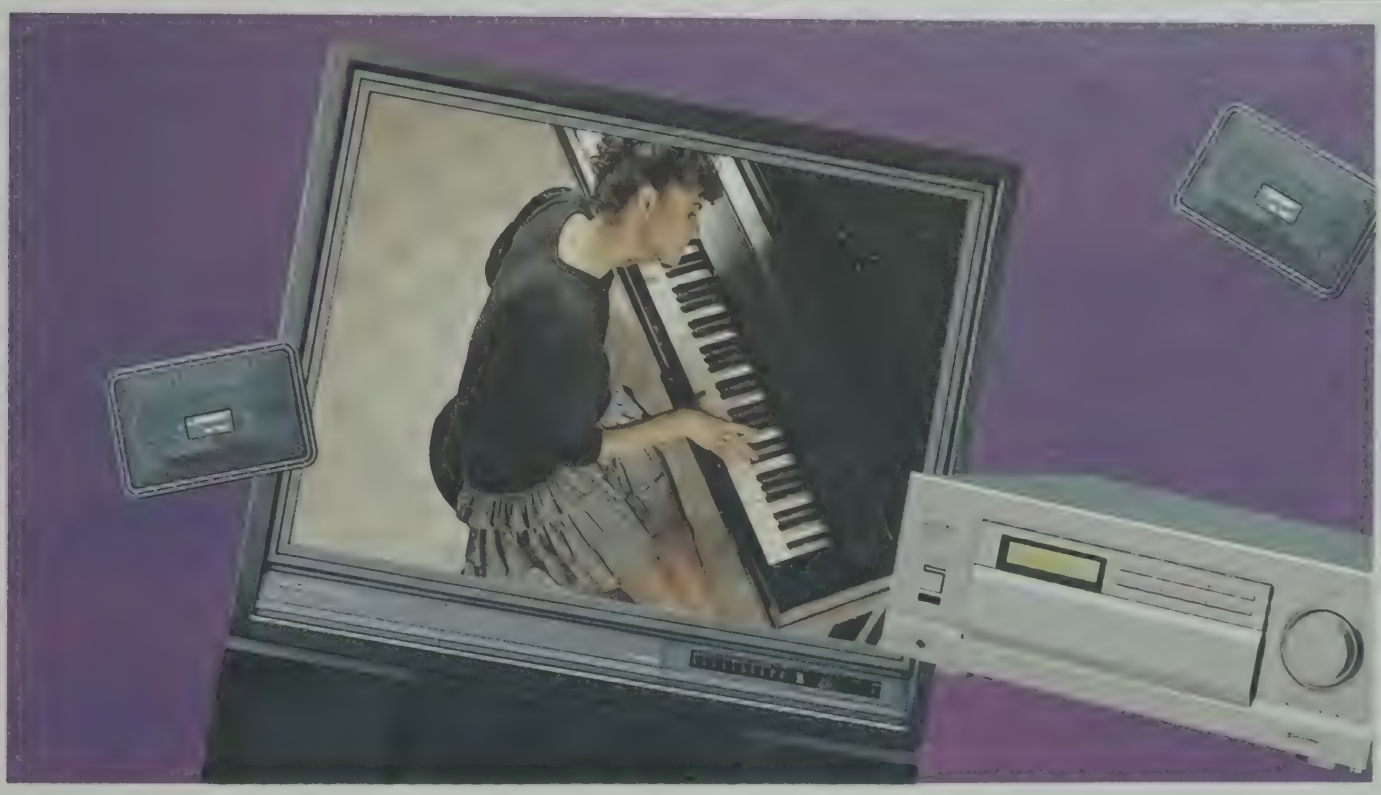
But the next year caused concern volume of exports increased while total value declined. The number vate traders entering the market sw and unit value realisation went down private traders undercutting each While the volume of exports rose to 1 tonnes, earnings were only Rs.12 Also complaints began to pour in buyers that the seeds were not cleaned properly. The Indian emba Washington strongly recommende canalisation. Consequently, the mi of commerce recanalised export i cember 1989. Later in April 1990, p trade in nigerseed was totally banne present only NAFED and TRIFED ca port nigerseed.

Traders sore. Private traders fee change in export policy is totall justified and arbitrary. Says Kis

YOUR EARS WON'T KNOW WHERE TO LOOK.

THE INCREDIBLE AV SURROUND THEATRE BY NEC.

Feast your eyes on a jumbo screen with life-like clarity. While the Dolby Surround Sound Amplifier treats your ears to undiluted precision acoustics. The AV Surround Theatre — brings home the excitement of a concert hall. You can expect many more such high-technology miracles from NEC of Japan.The company that is 32nd on Fortune's Global 500.World leaders in computers, communications, electron devices and home electronics. Pioneers of the concept of Computers & Communications (C&C). Marketing over 15,000 products in 140 countries. When you next go abroad, find out why NEC's products always show to packed houses.



In India, NEC's amazing technology can be seen in BUSH and CROWN TVs and VCRs and Projection TVs from ENTEL.

NEC

NEC Corporation, Japan.

The Future of Home Entertainment.

DAVIS CUP by NEC

LINTAS NEC P 11 2417

For information only



For over five decades, Mukand has been synonymous with steel.

Mukand is India's largest producer of the widest range of stainless and speciality steels; leads in exports of alloy steel castings; designs and builds some of India's biggest, most complex cranes and machines; helps launch her rock and undertakes execution of turnkey engineering pro Making it a multi-product, multi-division, Rs. 500-cr conglomerate.

The commitment of Mukand's people to technolog



ovation, research and development has given them a rare
ight into steel and its applications. Mukand knows how to
ke steel, engineer it and use it effectively.
In 50 years, Mukand has truly become a mastermind
steel.

MUKAND LTD.

(Formerly Mukand Iron & Steel Works Ltd.)



Ashok and Radisson offer you new standards of world class hospitality at Kovalam

Radisson Hotels Corporation with its dynamism, its philosophy 'Yes I can' is the fastest growing hospitality group in the world, with hotels at 240 locations.

Ashok now joins hands with Radisson to bring you the finest international hospitality at Kovalam and three other places in the country. With a new work culture, a new ethos to ensure even greater consumer satisfaction.

Other Ashok Radisson Hotels : Ashok Hotel, New Delhi, an affiliate of Radisson Hotels Corporation; Ashok Radisson Hotel, Bangalore; Ashok Radisson Lalitha Palace Hotel, Mysore.

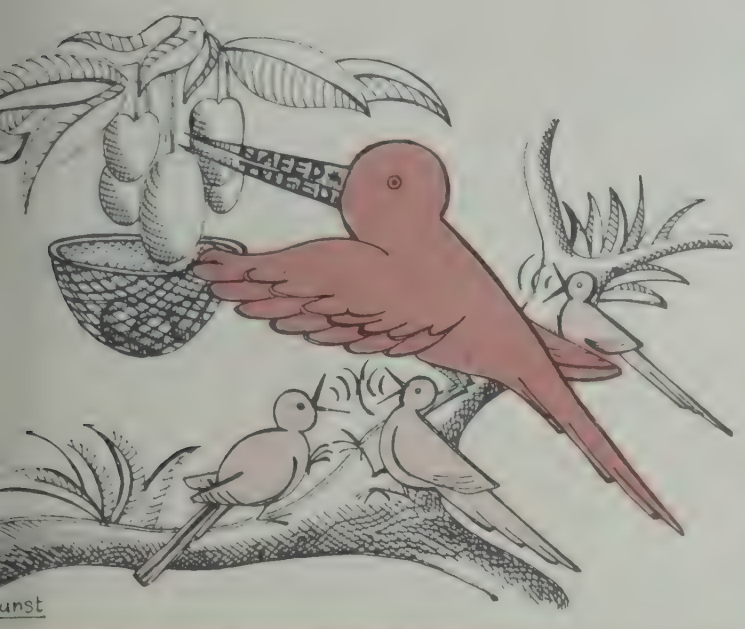


VISIT INDIA
TOURISM YEAR 1991

Ashok Radisson
Beach Resort, Kovalam

Trivandrum-695522 Tel. 68010, 65323
Cables: TOURISM VIZHINJAM Telex: 0435-216 KBR IN
Fax: 62522.

INDIA'S HOST TO THE WORLD



unst

, chairman of IOPEA, "Not only did e and value of export double within ear of export liberalisation but ex- narkets also diversified as private s cultivated new buyers."He denies eeds exported privately were not ed properly, saying IOPEA made ll its members stick to a minimum cent purity level.

exporters also claim that since D and TRIFED are charging unfair nonopoly prices, foreign buyers are away from India and exploring new es such as Brazil and Hungary. They ore feel that these agencies are re- ble for shrinking India's nigerseed t.

EA is now planning to ask the gov- nt for permission to function as the canalising agency. Government s, however, say permission may not nted as, they say, what matters in ng run is how much foreign ex- e India earns from any policy deci- on nigerseed export. With sation, India has not only raised the e of export but also the unit value, leads to much larger foreign ex- e earnings. Therefore, say these s, there is no need to change the pol- v.

you argue against success?

RUCHIRA GUPTA

NT PRICES

ep freeze?

otember 14, the MRTPC ordered a on cement prices. In a show-cause issued to the Cement Manufac- Association (CMA) and 44 cement nies, the commission said its action was prompted by the profiteering that had resulted from the more than 30 per cent rise in prices so far this year, caused by an industry-wide cartel.

Among the causes for the industry's reactions — more to score points than anything else — was the order's list of units that have either been closed or posted losses. The inclusion of the CMA, which neither makes nor sells cement, also provoked comment.

But while the inclusion of units that could not possibly have 'profiteered' was odd, that of the CMA wasn't. The commission reasoned that during the course of the DGI's investigation into the price rise, the CMA had assured him that it would bring prices down to the levels of March 1990. This had proven the CMA's power to influence its members. The other, unstated, reason for the CMA's inclusion was obviously to make it more difficult for the industry to act in concert openly.

This stratagem appeared to have worked. While hectic meetings were held at the CMA in the week following the order, no public announcement was made. "We have decided to approach the ministry on an individual basis," says Narotam Seksaria, managing director, Gujarat Ambuja Cements, "else everybody will say we are colluding again."

Politically motivated? Other reactions — again more for effect — ranged from allegations that the freeze was politically motivated to the contention that the order was unclear about the prevailing price. The keen interest of the prime minister's office in the reduction in the prices of cement (along with sugar and tea) clearly prompted the first view. Asks Seksaria, "Does the common man eat cement? Builders are the main consumers of cement."

The second arose partly because differences in the costs of inputs — like coal, electricity and wages — cause even manufacturers' prices to differ between regions. Apparently, dealers and retailers play a part in this too. Says Anand Rathi, president, Indian Rayon, and in-charge, the cement division, "What price do they want to freeze? Manufacturers have no control on what the dealers and the retailers charge." This is not altogether true. Several times this year, dealers have stated that the manufacturers do collude to raise prices in the major markets.

Rhetoric apart, the industry did make several valid observations. The first was that the order would merely drive open profit-making underground. The second related to the timing of the order. Till recently, due to overcapacity in industry (installed capacity grew by a remarkable 49.5 per cent in the Seventh Plan period), cement manufacturers were losing money. Only now are they making profits again. "Where was the MRTPC when we were losing money?" asks Rathi.

The third point related to charges of collusion. The industry does not admit the existence of a cartel but doesn't deny it either. "There has been much more collusion in other industries — like the tyre industry — which the MRTPC has not tackled," says Seksaria. "Why are they after us?" he asks.

Prices and the freeze. But profiteering, even at September 1990 prices, was not really rampant in all sections of the market. Prices in Bombay and Ahmedabad, at Rs.84-85 per 50 kg bag, were just over the price of Rs 84 that represents a fair rate (at current costs) of the post-tax 12 per cent return on net worth decided by the industry ministry in 1974. (Rs.84 is also the fair price set by the Bureau of Industrial Costs & Prices earlier this year). Prices in Hyderabad were in fact lower at Rs.74-75.

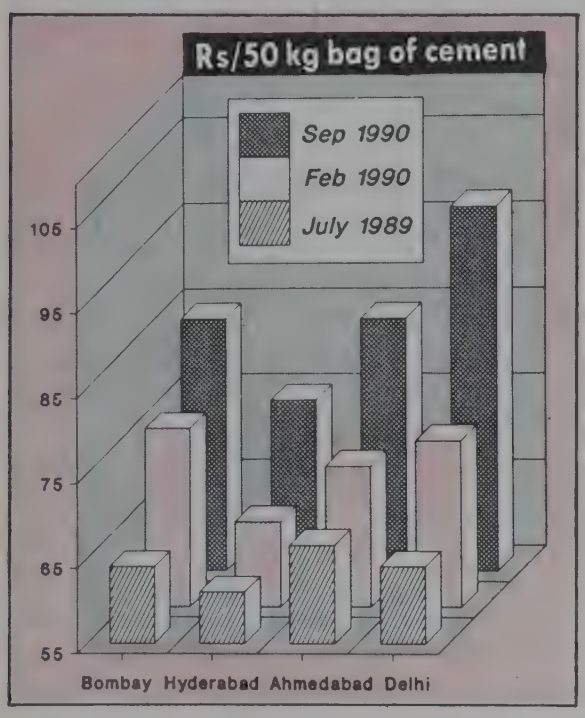
In Delhi, on the other hand, the price reached Rs.95-100 per 50 kg bag when the order froze them. Manufacturers in the north will thus actually benefit from the freeze. Of course, price is just one element. There is also better capacity utilisation on account of higher off-take and higher prices. Earlier, prices were lower and consequently production and sales were lower too.

In any case, the collusive action of the industry has merely ensured what is in effect an industry-determined 'support price' and nothing else. A cartel usually functions by fixing quantity and a corresponding price, and as long as the quantity supplied creates relative scarcity, fairly high prices can be maintained. What we see here is quite different. Capacity utilisation has been very high for a cartel situation, yet prices have recorded a steep increase. It appears as though manufacturers had decided to compete at a level of prices which would not adversely affect any of them, even if some were by the large quantities of cement in the market.

In any case, in a decontrolled market, any price that present demand will bear can hardly be considered one that causes 'profiteering'. "Why not let market forces determine the price?" asked Rathi, "Why should the government manipulate it?"

How this support price, and the indications from the industry of future price increases, pushed current prices up is not clear. That it happened, however, is. But the MRTPC's coupling of profiteering and cartelisation in the present context is unfortunate. Collusion, even in a free market, is considered wrong not necessarily because of what it actually does, but because of its potential. The MRTPC's failure to recognise this has prompted it to propose a solution that could make the problem worse.

Already a shortfall. Even before the price freeze order, there was already a projected 15-17 million tonne capacity addition shortfall if demand in 1994-95 is to be met.



A freeze could increase this shortfall further. "The order is a message that the government does not want more investment in the cement industry," said Seksaria. "This will definitely cause a scarcity. How will the government meet demand then? From imports?"

Collusive action may lead to profiteering in future. And by hampering capacity growth, the freeze will certainly ensure it. The MRTPC lacks the machinery required to either enforce the freeze or to tackle the black market that would develop. Manufacturers have already decided to withdraw a 2.5 per cent discount they offered on cash purchases. This means prices will effectively rise by 2.5 per cent from 1 October.

But the order makes little sense even apart from the difficulty of its implementation. It demonstrates that the MRTPC has completely misread the industry's strategy to first ensure survival, and then achieve remunerative prices while the shortfall in capacity addition ensures higher profits as demand rises in the next few years.

If the government remains insensitive to these aspects, the industry may well carry out its threat of not adding on capacity. If that happens, the industry will stick to its game-plan, but the consumer will wish that this was one election promise the PM had not tried to fulfill.

■ NAVAL B. GHIARA

PSF PRICE HIKE

Taking a heavy toll

The Rs.850-crore polyester staple fibre (PSF) industry has faced a setback recently, with Reliance Industries Ltd (RIL) hiking the price of purified terephthalic acid (PTA) from Rs.24,000 to Rs.29,700 on 10 September, and cutting its supplies by 40 per cent.

RIL hiked PTA prices immediately after Bombay Dyeing hiked its DMT prices. The result is that two PTA based PSF units — Indian Polyfibres Ltd and Orissa Sythentics Ltd — had to stop production. The hike in prices will also take its toll. Says K.N. Sangameshwaran, secretary, Association of Polyester Staple Fibre Manufacturers, "The hike is leading to the erosion of equity of PSF units and many will be in the red again". But before this, many PSF units will be forced to stop production as soon as carryover PTA stocks are exhausted.

PSF manufacturers feel that hike in PTA prices are totally unjustified, while RIL officials feel it is not. Says a RIL spokesperson, "There is no price control by the government on PTA, so only market forces should dertermine prices." But viewed against the fact that the government has not hiked the price of naphtha, is RIL's hike unjustified?

Besides, the delivered price of PTA at Rs. 29,700 is much higher than the fair selling price of Rs. 24,000 arrived at by ICI (India) Ltd. Say industry sources, "Government must control PTA prices to rectify the setback to the PSF industry." This industry has been going through lean times in recent years and only recently started showing improved perfo

Capacity utilisation hit. It was government cut naphtha sup petrochemical units by 10 per c RIL cut PTA supplies by 40 per cording to the RIL spokesperso per cent cut, being based on the p years' average consumption an ignored the trend of 17 per cen demand growth, actually amou per cent.

The result of the cut is that I stocked 800 tonnes of PTA in Ap procure only 378 tonnes in Se Indian Organic Chemicals' stock tonnes in May fell to 500 tonnes in ber. These shortfalls drastically capacity utilisation of PSF units them on the brink. To make the worse, at a meeting convened b partment of chemicals and pet cals in Delhi recently, the PTA manufacturers did not commit o ply of intermediates due to th tainty of naphtha availability.

The president of the associat Kuckreja alleged at a press co that despite the cut in naphtha, and PSY units were running in fu He felt that RIL was trying to ma the supplies of PTA to gain a stra on the market. However, a RIL sp son denied this. According to him also accepted an equal cut in p production.

Cutting exports. To tide o naphtha crisis, RIL officials feel exports must be cut. The total de naphtha from RIL is not even 10 of the quantity being exported PSF manufacturers also feel they to cut back on exports.

However, it is learnt that the ment will allow the deficit in PTA tion, around 85,000 tonnes, to b imports. But RIL is against this. T a small amount of naphtha slate ports to be diverted to them as tional prices of PTA is 10 time than the prices realised by ex naphtha. Besides this, accor sources in RIL, the government is the fact that in June, RIL o naphtha on realising that the cu the offing.

Meanwhile, the directorate ge technical development (DGTD) w ise the import licenses by mid- Though this will considerably e shortage, it will result in a loss o exchange.

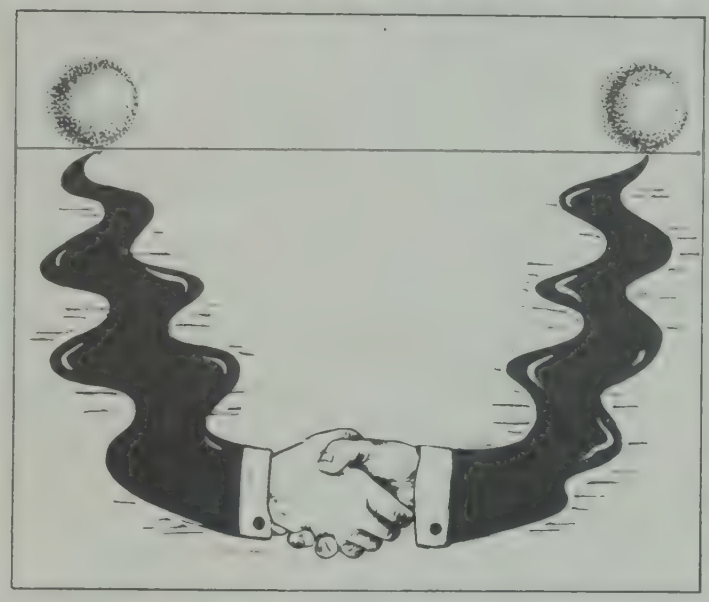
■ GEORGE

AT BOMBAY OIL, A COVALENT BOND IS MORE THAN MERE CHEMISTRY.

At Bombay Oil, we believe in the sharing of expertise. In the meeting of minds to find creative solutions — be it new product development or a process problem. We believe in building up a working relationship (and sustaining it) over a period of time.

Our **Performance Chemicals** have worked wonders for Pfizer, ICI, ABS Plastics, Colour Chem, Deepak Nitrite and others.

At Bombay Oil, we have our own R&D laboratory manned by expert scientists and engineers — the finest in the land. And a process facility capable of handling a wide range of unit operations like Distillation, High Pressure Reactions Evaporation and unit processes like Hydrogenation, Amination, Reductive Alkylation ....



(IT'S A WORKING RELATIONSHIP OVER A PERIOD OF TIME.).

All these are put to good use — in fact, Bombay Oil is well reputed for the manufacture of **Chemical Specialities** that suit individual requirements.

For all those whose immediate worries centre around the purchase of adequate quantities of Fatty Acids and Derivatives, Bombay Oil has good news.

We assure the supply of the following chemicals (of required specifications) well within schedules. Stearic Acids, Oleic Acids and other Fatty Acids; Castor Products, Fatty Amides, Amines, Quats, Glycerine.... **Any Oleochemical tailormade to your needs.**

In performance, speciality and commodity chemicals. Bombay Oil believes in covalent relationships.

FSA/BOIL/FCD/24181/90

BOMBAY OIL INDUSTRIES LTD

FATTY ACIDS & CHEMICALS DIVISION

LBS Marg, Bhandup, Bombay 400 078. Tel: 560 1636/7, 560 4343, 561 3062 Telex: 011-71922 BOI-IN

WE MAKE GOOD CHEMISTRY

1915 – 1990 75 UB JUBILEE

THE UB GR

THIS IS WHERE YOUR PRECIOUS DATA GOES WHEN THERE'S A POWER FAILURE

There goes the power. And with it goes your carefully collected data. Down the drain. If it doesn't bother you, then you needn't read any further. But if it does, then its time you installed a UB–MEC EMEL–T Series UPS battery.

UB-MEC EMEL–T Series UPS batteries, work harder, longer and better than any other. Which is not very surprising. Because UB–MEC UPS batteries are built by people who are never satisfied with anything. Except the best.

And if you don't hurry up, the next time even a plumber can't help you!



MEC

UB–MEC BATTERIES LIMITED

MEC Factory Road, Yeshwantpur, Bangalore-560 022
Telephone: 360161–3, 361112–3 Telex: 845–2341 Grams: MECWORK

IS INDIA

th's sorrow

tly a year ago, Rallis India seemed to come back from the wilderness (see *ness India*, 24 July 1989). But now, Tata group company, dealing in hemicals, engineering and phar-uticals, has slipped again. True, sales increased (on an annualised basis) 42 per cent to Rs.360 crore but profit e tax (PBT) declined by 76 per cent 2.22 crore and profit after tax fell by r cent to Rs.1.82 crore. The PBT mar-ecreased from 2.9 to 0.6 per cent. is was suffering certain endemic ems which have vated and set us ' admits chairman ri Seth.

the company's an- general meeting n Bombay recently, vas candid enough ologise to share-rs, "We in Rallis et you down." This revelation was ex-l to discourage po-l investors and existing share-rs to dump their . But it had the op-e effect. "I have hidden anything shareholders," Seth. "Instead of llis price falling, it y Rs.10 the next Perhaps share-s felt, *'Darbari ne ol diya. Kabhi na to company achi i'*."

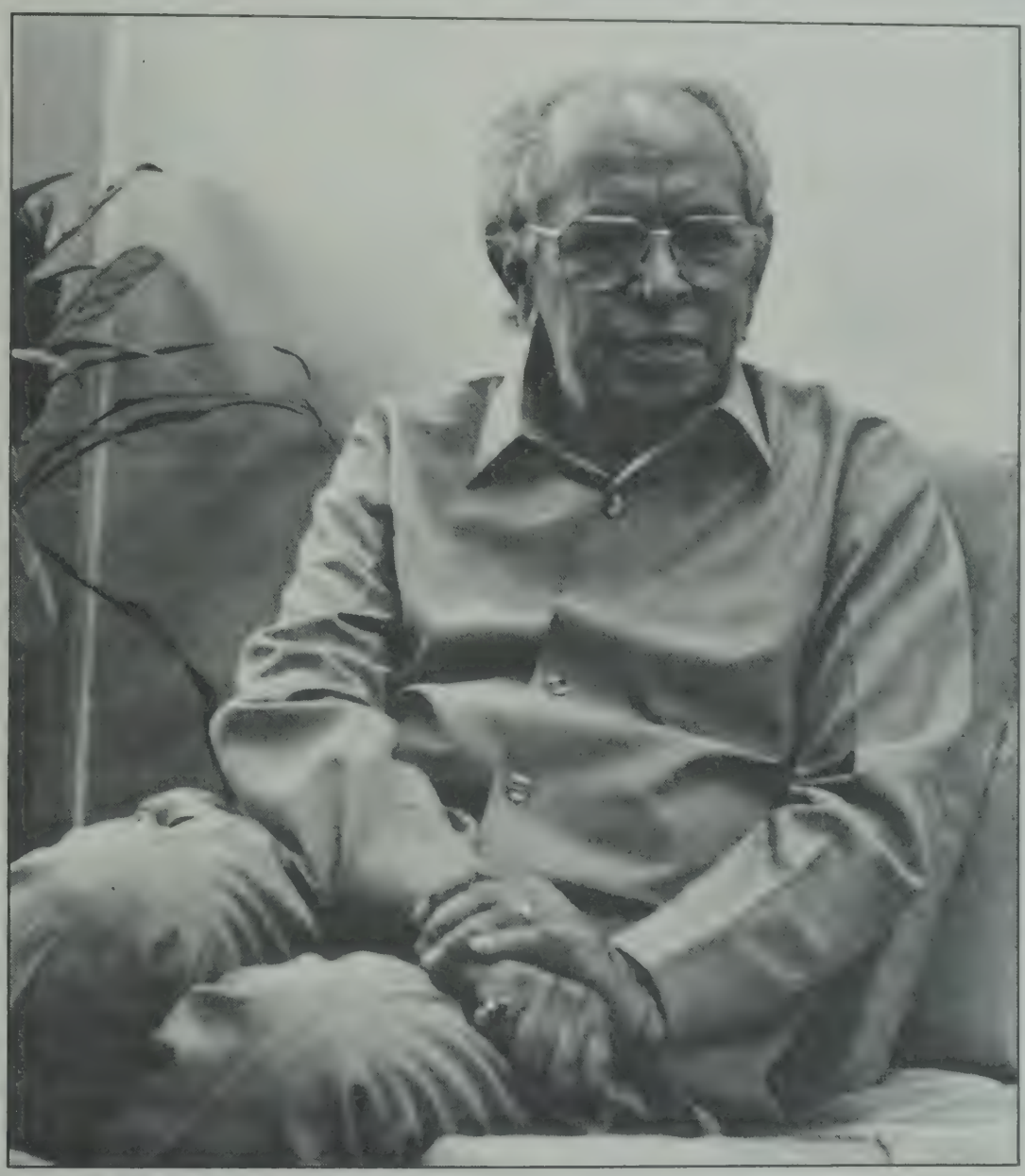
n profits. Poor mances by the en-ring and phar-itical divisions nainly responsible e drastic fall in s. Reportedly, agrochemicals was ly division which made a profit (of crore). The engineering division a loss of between Rs.3 crore and crore. The pharmaceuticals divi-which had earned a profit of Rs.70 ast year, suffered a loss of Rs.1.7 his year.

ne engineering division, excessive of fans led to severe curtailment of production and sales resulting in heavy losses. In the same division, diversifications into new areas like motors, washing machines, mixers and printed circuit boards too failed to take off.

Problems with the pharmaceutical division, however, were more complex. About 85 per cent of the company's pharmaceutical products fell into the ambit of the Drugs (Prices Control) Order 1987. While input costs continued to increase, the company could not raise the prices of these particular formulations and they turned into loss-making products.

A foray three years ago into naproen manufacture at a unit in Ankleshwar has also come to nought. Says a senior officer in the pharmaceutical division, "The Rallis board did not pay any heed to a suggestion that the company tie up with a foreign company with known technology to manufacture this drug. The board preferred to take the indigenous route instead." The result was that the cost of the drug — with a low yield and high time cycle — at the factory gate was one and a half times its selling price and the division ended up making a loss.

Says an insider at Rallis, "There is nothing wrong *per se* with the company." Staff morale, however, is at a low ebb. People are being pushed around and no senior officer is allowed to stay with one assignment for more than two months. "A strong line of command is missing and the approach to business is not professional enough." Six senior officials have already left the division since July. One industry watcher also accuses chief executive Vijay Rai of "being too rash, lacking confidence, not capable of analysis and having no trust in his subordinates".



Seth: "I have never hidden anything from shareholders"

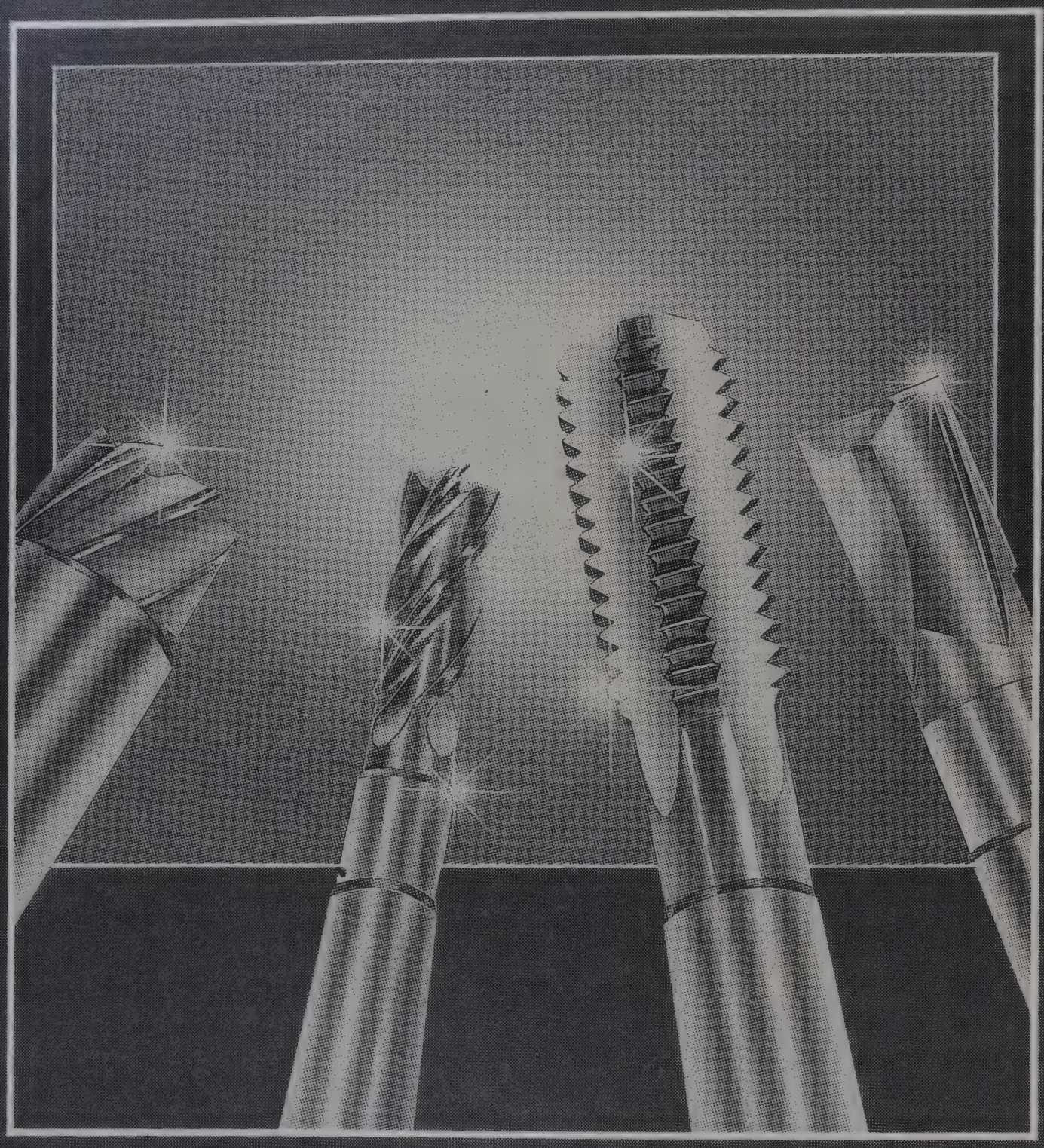
How well the company does in the future depends on the steps — some of them perhaps rather harsh — Seth and his management team plan to take in the future. The chairman is not revealing anything but he admits that he has some "solutions which are not easy but are not impossible either". According to the industry watcher quoted, if Rallis has to get back on track, the company should restore the full confidence of its people, update existing technology, and reduce its costs.

Personal setbacks. While some of the other blue chip companies in his kitty (Tata Chemicals, Tata Tea, etc) continue to perform well, the lacklustre performance of Rallis seems to have been a personal setback for Seth and he has already started taking more interest in the company. Already, sales for the first four months of financial year 1990-91 are up by 11 per cent compared to the corresponding period last year.

How much time will it take him to turn the beleaguered company around? "I am in my office from early morning to late at night, seven days a week. There is lot of work left to be done on Rallis. In such a situation, you cannot count the hours." ■

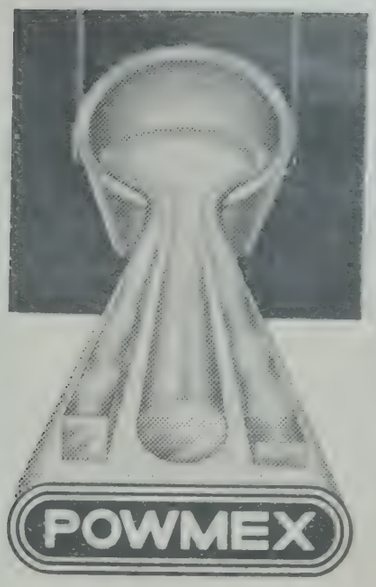
RAJU BIST

THE FUTURE IS OURS



Powmex. An awaiting market.
Escalating Demand. No competition.
Near-total import substitution.

If the Company does not receive the minimum subscription of 90% of the issue amount, the entire subscription will be refunded to the applicants within 90 days from the date of closure of the issue. If there is a delay in refund of such amount for more than 10 days the Company will pay interest at the rate of 15% per annum for the delayed period.



Powmex Steels is stepping confidently into a vast domestic market that is eagerly waiting for High Speed Steels (HSS). Today almost 5000 tonnes p.a. of HSS are imported by Indian cutting tool manufacturers and other hi-tech industries. Powmex is set to produce 3750 tonnes of HSS which will meet two-thirds of the Indian demand and drastically curb imports. Thus saving precious foreign exchange for the nation.

Powmex has entered into a technical collaboration with world leaders, Bohler GmbH of Austria, for the production of HSS with advanced Powder Capsule Forging & Ingot Technology. No longer would Indian industries have to scout round the world for imported HSS and go through cumbersome import procedures. Powmex will make available the finest and the best of HSS at prices so obviously lower than that of imported HSS.

THE MAGNIFICENT MACHINES:

Powmex is harnessing the world's most sophisticated machinery at the plant in Orissa. M/s. GFM, Austria, pioneers in the field of forging machines, are supplying long forging machine; a gas atomisation plant and capsule filling equipment have been procured from M/s. Osprey, UK and M/s. National Forge, Belgium respectively. The Powmex plant will have the same machinery as the collaborators, M/s. Bohler, has at its Austrian plant. Nine-stand wire rod mill from M/s. MECON, Electricals from Siemens, reheating and annealing furnaces from M/s. Wellman and arc furnace from M/s. GEC are some of the other matchless machines that will be instrumental in meeting the challenges of HSS production.

Powmex plant will be an exemplary model of hi-tech equipment put together to begin a revolution in steel-making.

PROMOTED BY PROFESSIONALS:

Powmex is promoted by Mr. G B K Rao and Mr. G Hari Babu, noted industrialists and Mr. T. Nageswara Rao, an entreprenuer with experience in manufacturing activities. A dynamic group of leaders with vision and experience, they have put together a well-knit team of professionals in metallurgy committed to a successful project takeoff.

THE BOARD OF DIRECTORS:

Mr. P K Patnaik, IAS	- Chairman Nominee of IPICOL
Mr. G B K Rao	- Managing Director
Mr. G Hari Babu	- Joint Managing Director
Mr. T Nageswara Rao	
Mr. N T George	- Whole-time Director
Mr. V Balakrishnan	- Whole-time Director
Mr. K R Sangameswaran	
Mr. J C Nayak	- Nominee of IPICOL
Mr. M S Murthy	- Nominee of IFCI
Mr. M M Sinha	- Nominee of IFCI

Public Issue of 1,26,30,000 Equity Shares of Rs. 10/- each for cash at par.

Issue Opens on : 8th October, 1990

ISSUE HIGHLIGHTS

- First plant in Asia to produce High Speed Steels (HSS) with advanced Powder Capsule Forging Technology besides advanced Ingot Technology.
- Technical Collaboration with the world leaders in HSS, Bohler GmbH, Austria, who are transferring this latest technology for the first time to a plant anywhere in the world.
- Equity participation by Bohler, U T I, SBI Mutual Fund and Canbank Mutual Fund.
- The Best Machinery from the world for the plant. Procured from suppliers who have also supplied to Bohler's plant.
- HSS produced by Powmex will drastically reduce the nation's dependence on imports and save precious foreign exchange. Major import substitution project to produce HSS of international standards.
- Growing market in cutting tool and hi-tech industries. Present demand about 5600 mts per annum, increasing at an average 8%.
- Commercial production by March 1991. Low break-even point - spells early profitability.
- Experienced technocrat promoters - guiding a team of professionals in metallurgy and assistance of IPICOL.
- Located in centrally notified 'A' category backward area fiscal benefits. Sales Tax exemption for five years.
- Tax benefits under sections 88A, 80M, 80L of Income-Tax act and other benefits under Wealth tax act.
- Easy liquidity - listing on Bhubaneswar, Bombay, Calcutta and Hyderabad Stock Exchanges.

LEAD MANAGERS TO THE ISSUE:

SBI Capital Markets Limited
202, Maker Towers E,
Cuffe Parade, BOMBAY - 400 005.

Industrial Finance Corporation of India
Bank of Baroda Building,
16, Sansad Marg, NEW DELHI - 110 001

CO-MANAGERS:

BOI Finance Limited
Stock Exchange Building,
24th Floor, Dalal Street,
BOMBAY - 400 023.

Canbank Financial Services Ltd.,
(Wholly owned by Canara Bank)
First Floor, F.D. Khan Building,
Abid Road, HYDERABAD - 500 001.

Indian Overseas Bank
III Floor, Suryalok Complex,
Gunfoundry, HYDERABAD - 500 001

Indbank Merchant Banking Services Ltd.,
31, Rajaji Salai, MADRAS - 600 001.

State Bank of Hyderabad
Merchant Banking Bureau
Head Office, Gunfoundry
HYDERABAD - 500 177.

Powmex Steels Limited

AN ASSISTED UNIT OF IPICOL)

Administrative Office: 8-2-621/A, Road No. 10 Banjara Hills, Hyderabad-500 034.
Registered Office: Turla, Bolangir Dist. Orissa.

POWMEX - Redefining the future of High Speed Steel.

Sobhagya/PSL/9902

All over the World
Suddenly
Organisations have realised
You don't need more people
to do more.

Now, more power, more productivity,
more profits for less,
if you have – The right connection

GIVE YOUR COMPUTERS
THAT EXTRA POWER

NETWORK TODAY

CONNECT WITH THE BEST

MICROLAND

LEADERS IN NETWORKING

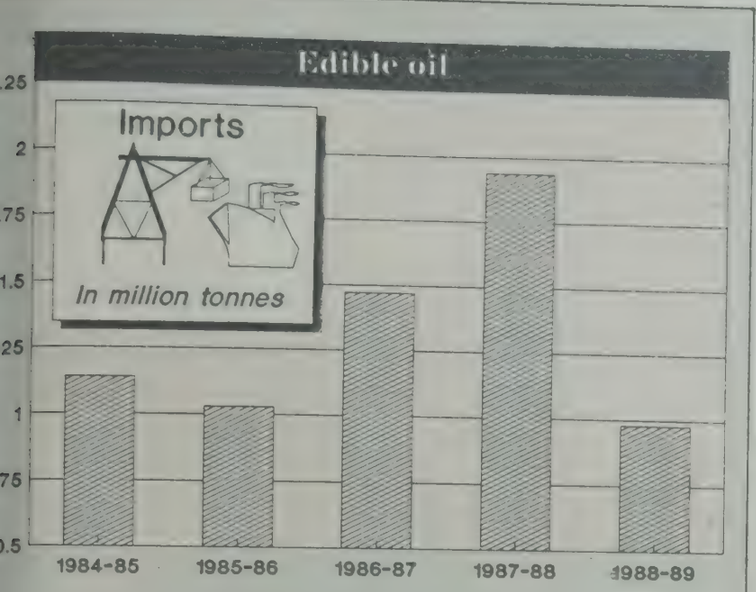
BANGALORE
2 ST. MARKS ROAD BANGALORE - 560 001 PH: 211104.

MADRAS
RANI SEETHAI HALL BUILDING 603, MOUNT ROAD MADRAS - 600 006 PH: 865186.

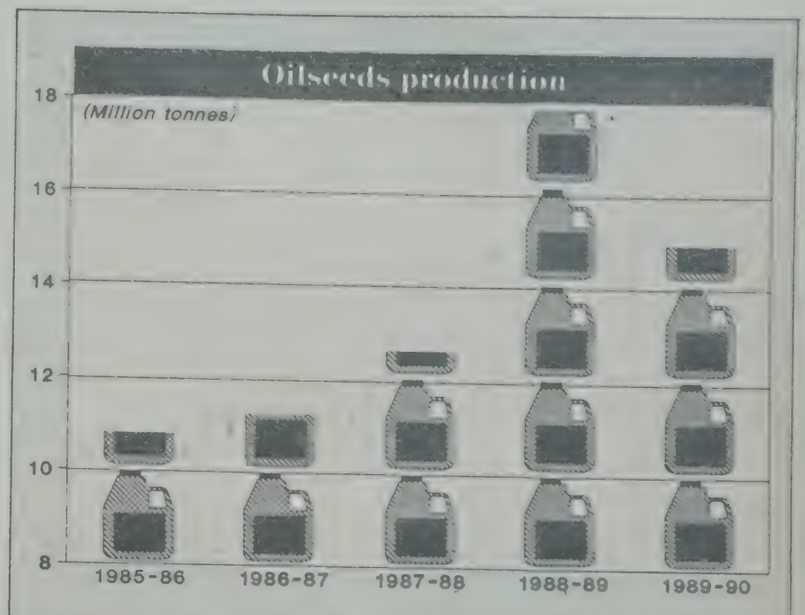
BOMBAY
41 TAMARIND LANE FORT BOMBAY - 400 023 PH: 272738 / 271388.

HYDERABAD
5-9-30/5, 604, PAIGAH PLAZA, BASHEER BAGH HYDERABAD - 500 001 PH: 235299.

CALCUTTA
1 CASTLES 84 RAJA BASANTHA ROY ROAD CALCUTTA - 700 029.



port of edible oil had reached a peak in 1987-88 when costs went up to Rs.9,688 re in value terms. There was a sharp decline in edible oil import in 1988-89, only 8 million tonnes, the lowest since 1983-84. A quantity of 215,570 tonnes of molein oil valued at Rs.112 crore was imported between the period 1 January 90 to 30 June 1990. Import of edible oil will continue in the forseeable future what h the uncertainty in domestic oilseeds production.



Production of oilseeds had stagnated at around 10-12 million tonnes for over a decade. It was only in 1988-89 that oilseeds production recorded a quantum jump of 41 per cent to 17.8 million tonnes. However, inadequate rain during 1989-90 is expected to bring production down to around 15 million tonnes.

olesale price index: The wholesale price index of all commodi- is up by 0.3 per cent for the month under review. The index for eeds, a primary article, was up by 1.3 per cent. In the range of nufactured products, jute hemp and mesta textiles on the one d and cement on the other, showed a 3.4 per cent and 1.8 per cent ease respectively.

(1981-82 = 100)

	25 Aug '90	28 July '90	26 Aug '89	% change over month	% change over year
ommodities	179.3	178.7	167.1	0.34	7.6
ary articles	182.7	182.4	167.5	0.16	9.0
ufactured products	179.8	179	169	0.4	6.3

sumer price index: The index for industrial workers was up by per cent in June 1990. The index for urban non-manual workers was up by 1.3 per cent in June 1990. On a year-on-year basis, the ease this year is 6.3 per cent as against 8.3 per cent last year.

	June '90	May '90	June '89	% change over month	% change over year
trial workers 2 = 100)	185	182	174	1.7	6.3
n non-manual ers (1984-85 = 100)	155	153	144	1.3	7.6

ey and Banking: The tight money policy followed by the govern- t is slowly manifesting itself. Percentage change in broad money year-on-year basis has decreased from 17.1 per cent last year. e is also a slowdown in the increase in aggregate deposits from per cent last year to 16 per cent on a year-on-year basis. This is cted in the decline of bank credit as well.

(Rs crore)

	24 Aug '90	27 July '90	25 Aug '89	% change over month	% change over year
money (M3)	239,639	239,198	206,059	0.2	16.2
gate deposits	175,809	174,793	151,522	0.5	16.0
credit	104,002	104,592	88,517	− 0.6	17.4
redit	3,523	3,883	1,043	− 9.2	238
/deposit ratio	59.16	59.84	58.42		

Bullion prices and stock market index: The Gulf crisis has not made much of an impact on gold and silver prices as yet. The reaction is only marginal. The Bombay Stock Exchange sensitive index was up by a whopping 20.6 per cent during the month under review. The index on a year-on-year basis was up by a hefty 91 per cent as against 22 per cent during the corresponding period last year.

	22 Sept '90	25 Aug '90	22 Sept '89	% change over month	% change over year
Gold (Bombay)	3,445	3,430	3,140	0.4	9.7
Silver (Bombay)	6,850	6,897	6,889	− 0.6	− 0.5
BSE index (1978-79 = 100)	1,389	1,151	725.26	20.6	91.2

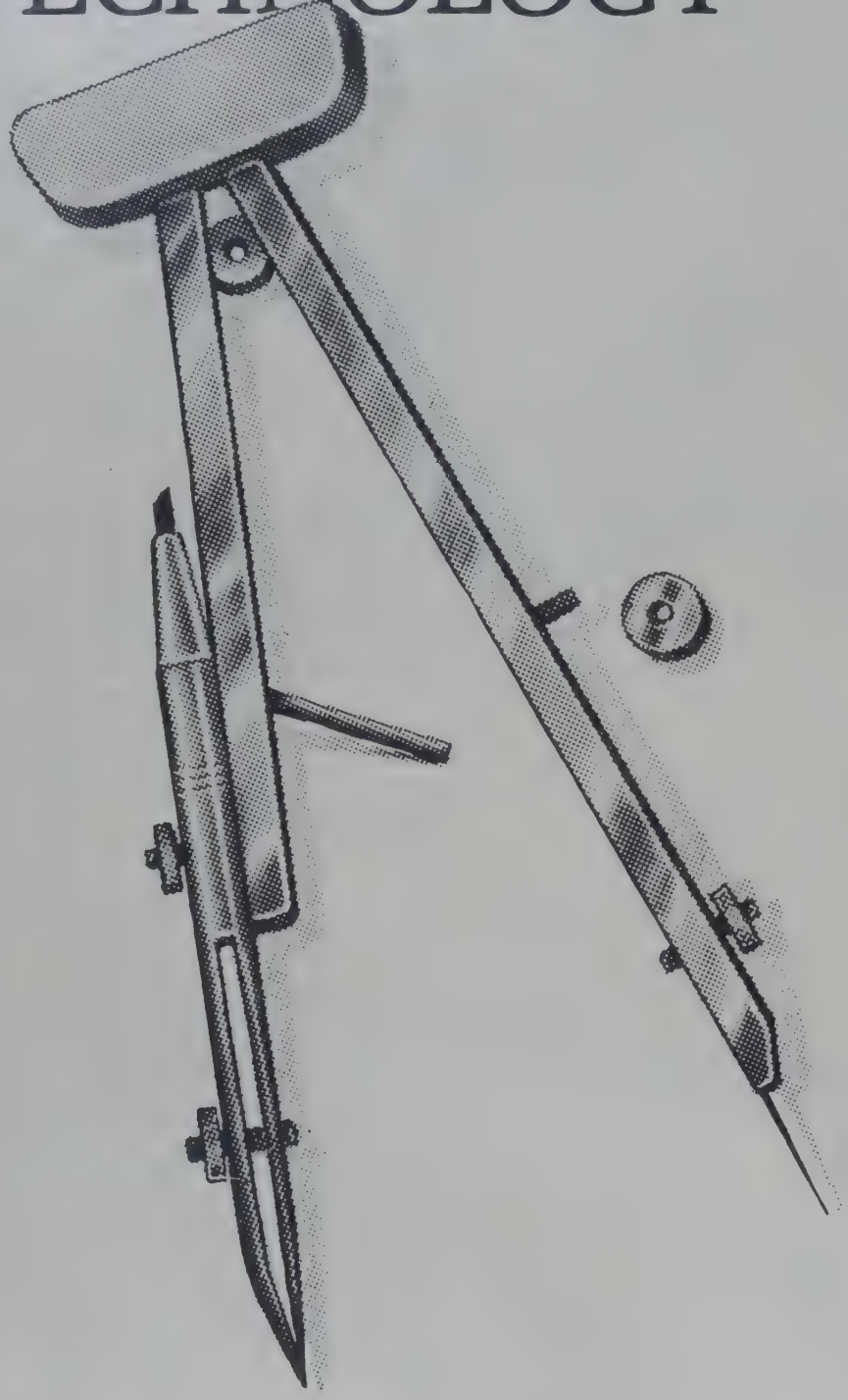
(Price of gold in rupees per 10 gms and silver in rupees per kg)

Industrial production and infrastructure: Growth in industrial production has been sustained. Over and above the 2.6 per cent growth registered in May 1990, there was a one per cent growth in June. Much of the growth in industrial production is in the range of manufactured products. There is a sharp increase in coal production during June 1990. Power generation is also up by 1.2 per cent. On the other hand, railway freight traffic and crude oil production declined by 4.4 per cent and 3.2 per cent in June 1990.

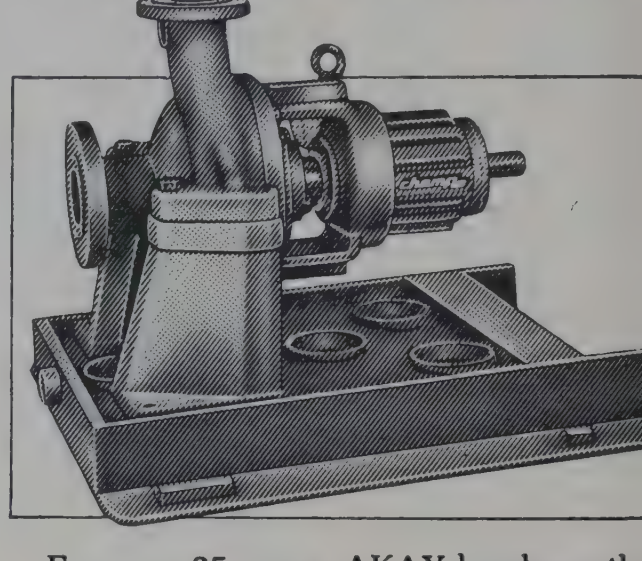
	Last month	Previous month	Year ago	% change over month	% change over year
Industrial production index (1980-81 = 100)	204.5(6)	202.3	180.6	1	13.2
Railway freight (mill. tonnes)	24.19(6)	25.32	23.75	− 4.4	1.8
Crude oil production ('000 tonnes)	2,781(6)	2,875	2,835	− 3.2	1.4
Power generation (mill. units per day)	708.6(6)	700	624	1.2	13.5
Coal production (lakh tonnes per day)	5.7(6)	4.8	4.5	18.75	26.6
Steel production ('000 tonnes)	746(7)	639	709.7	16.7	5.1
Cement production	3,718(7)	3,610(6)	3,289	2.99	13

Figures in bracket indicate months

WHILE THE CROWD RELIES ON BORROWED TECHNOLOGY



THE LEADER CREATES TOMORROW'S TECHNOLOGY TODAY



For over 25 years, AKAY has been th leader in Process Pump industry. Our quality, innovation and technical servic support has never been surpassed.

At Akay, we have never believed in turning out pale imitations of obsolete borrowed technology. Instead, we have forged ahead with our own Research an Development, creating technology far ahead of its time. And nothing illustrate this better than our API 610 seventh edition pump—the first of its kind in th world.

So that when you set up a project tha requires a technologically advanced process pump, you know where to look for it.

Chemflo API 610 seventh edition.

And when our customers approach us they get the full advantage of our leadership in the field—quickly and dependably.

AKAY INDUSTRIES

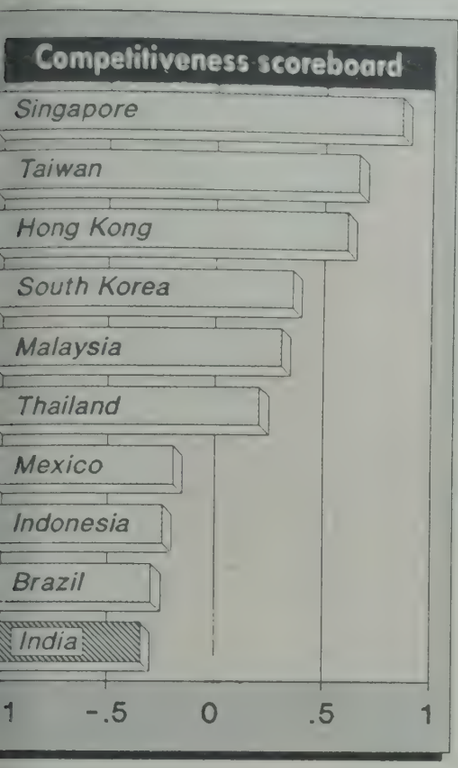
Sales Headquarters
Post Box 6557, Bombay 400 018, India.
Gram: AKAYIND. Telex: 011 73771 AKAY
Phone: 492 4590 Fax: 494 6677

Branch Sales Offices
New Delhi • Calcutta • Madras • Vadodara

Manufacturing Plant
Hubli 580 020, Karnataka, India.

chemflo® *Leadership... by design.*

Indian competitiveness: at a low ebb



In a rapidly shrinking world, where national boundaries are becoming increasingly transparent, trans-national trade is on the increase. This increase in world trade has led to greater competition — both internal and external.

It is in this context that the World Competitiveness Report 1990, prepared by (IMD) and the World Economic Forum gains in significance. But can nations be competitive? Yes, because today, education, research support and fiscal and labour legislation are just a few of the policies recognised as major components of a country's competitiveness. In a world of increased capital technology and labour mobility, countries have to compete internationally for their prosperity.

Competitiveness, according to the report "is the ability of entrepreneurs to design, produce and market goods and services, the price and non-price characteristics of which form a more attractive package than that of competitors." The report analyses the competitiveness of 34 countries. These countries are broken into two groups, industrial countries and newly industrialised countries (NIEs). The industrial countries are basically the member countries of the Organisation for Economic Co-operation and Development. The NIEs are Hong Kong, Brazil, India, Indonesia, Republic of Korea, Malaysia, Mexico, Singapore, Taiwan and Thailand.

In order to make the report objective and meaningful, some 326 criteria have been selected on the basis of their relevance to international competitiveness. While some of the criteria are very relevant to competitiveness (example, cost of labour), others have a longer term impact (percentage of GDP spent on research and development). Also, certain criteria have been given additional weightage. The criteria are divided into ten subject factors such as dynamism of the economy, industrial efficiency, market orientation, financial dynamism, and international orientation, among others.

But as the report rightly points out, competition can be both measured and perceived. The criteria mentioned above measures competitiveness. However, the perceptions of businessmen are taken into account by a Business Confidence Survey. This was done by circulating a questionnaire (126 questions) to 10,000 selected executives in all the 34 countries.

The world competitiveness scoreboard combines the quantitative and the qualitative analysis and ranks the countries in the two groups. In group I Japan is the most competitive nation followed by Switzerland, the US, West Germany and Canada. On the other hand, Spain, Portugal, Turkey, Greece and Hongkong were the laggards in descending order. In group II Singapore is by far the most competitive nation followed by Taiwan and Hong Kong. The bottom three in descending order are Indonesia, Brazil and India. It is indeed a tragedy that India ranks at the bottom of even the developing countries. Of course, this does not mean that India is the most uncompetitive nation in the world, because if certain countries in Africa, Latin America and Asia are included in the rankings then India would surely do much better.

Be that as it may, the Business Confidence Survey revealed some interesting facts. In growth optimism the countries of South East Asia stand out as the best. This is because many of the countries like Thailand, Malaysia and Singapore have registered very high growth rates in the past decade. Here India has also done fairly well and ranks sixth among the 34 countries surveyed.

As mentioned earlier, the 326 criteria are broken up into 10 factors that affect competitiveness and India stands out only in two factors. For instance, in 'dynamism of the economy' India is sixth among the 10 group II countries. The only other factor is 'future orientation' where India ranks fourth after Taiwan, Singapore and Korea.

The international communities' perception of the rising stars are Korea, Taiwan, Thailand, Spain and Singapore. On the question of entrepreneurs' expectations for future investment, India ranks fourth, behind Japan, Thailand, Ireland and Malaysia.

Indeed, in a world that is becoming more and more competitive it is absolutely imperative that the planners, the government and industry realise that competition means moving at a pace faster than your nearest rivals. The nearest rivals to India today are countries like Thailand, Malaysia, Indonesia and the Philippines, to name just a few. All these countries are becoming increasingly competitive both in terms of price and quality. Will India rise to the challenge?

■

ASPI CONTRACTOR

When leaving on a trip what do you remember first?

Rupa, have you taken the tickets?

Of course. But more important, have you packed the **Bisleri**?

A long-awaited holiday or a well-planned business trip can get ruined by illness. And 80% of the diseases, particularly among children, are caused by water-borne germs. Ensure that you have 100% safe, zero-bacteria drinking water when travelling. Carry Acqua Minerale Bisleri.

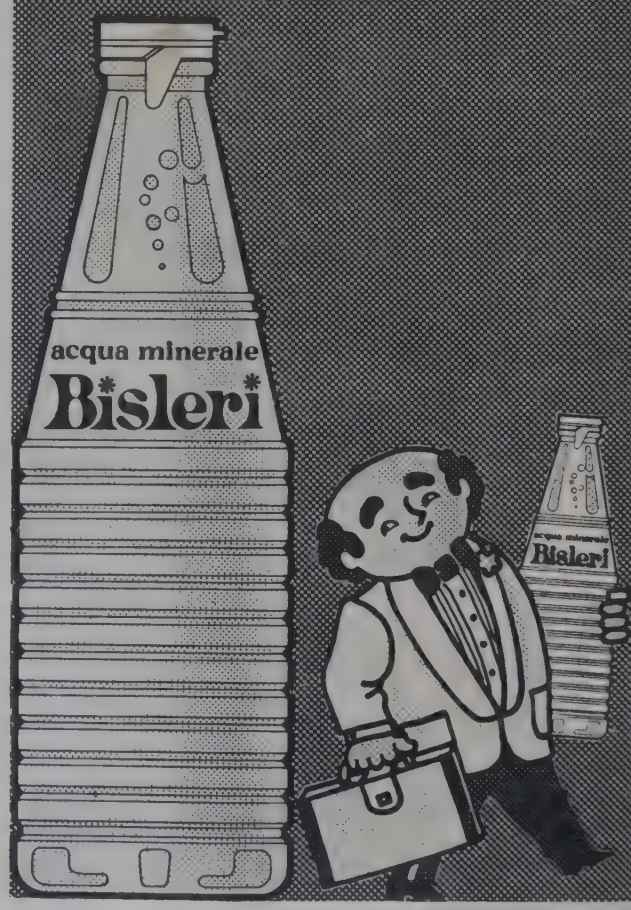
Acqua Minerale Bisleri (AMB) is purified water, passed through multiple filters and treated with the special Italian process of silver sterilization. Silver sterilization inhibits the growth of bacteria with its oligodynamic effect. Yes, AMB is 100% safe, pure drinking water.

Make AMB a family drink habit, particularly for children, and when ill or travelling. To be safest even set ice with AMB. Soon you'll realize that it makes good sense to spend a little on AMB—the safest water on earth.

ACQUA MINERALE

Bisleri

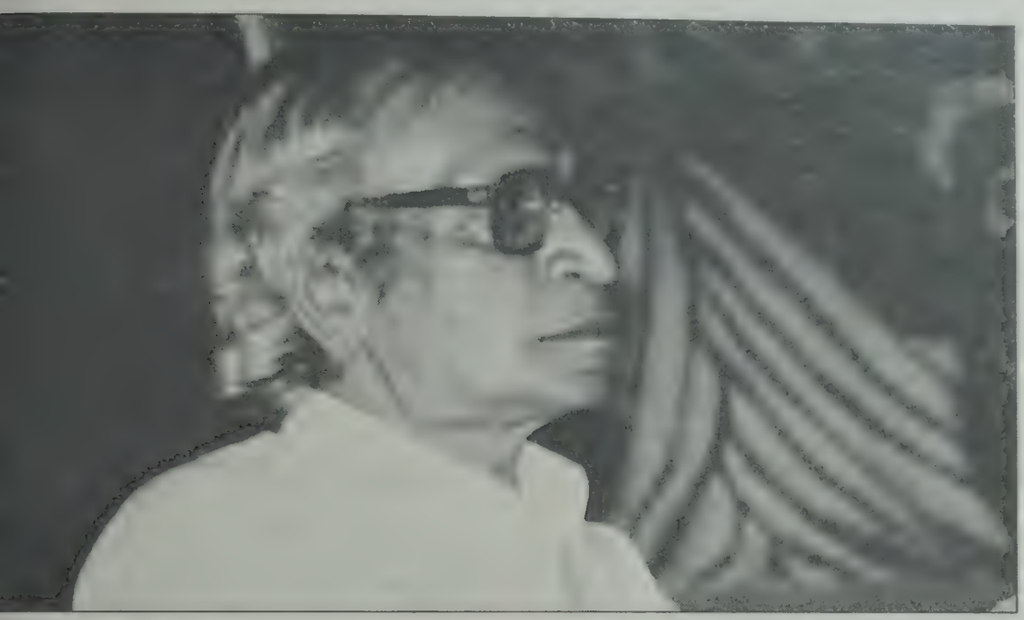
Less expensive than you think



RADEUS/PE/AMB/1-9

ande out, rora in?

abinet secretary Vinod Pande on his out? Given his chumminess with me minister V.P. Singh, it seems quite ikely. Pande, who retired this March, is sently on extension, but the Delhi pevine suggests that the possibility of de retiring has become a distinct lihood.



ra: back in the limelight?

ne question is: after Pande, who next? n-eyed cabinet observers noticed that i Arora, our man in the IMF, has re- ly been rather conspicuous in the capi- Naturally, this fuelled speculation Arora might step in. But Arora, an officer of the 1957 batch, could well been in Delhi to discuss with finance ister Madhu Dandavate the prospects egotiating a loan from the IMF. The ct of these confabulations? Tiding the newest oil crisis.

eanwhile, Pande may not step irrever- out into the cold. The grapevine also s that he could be appointed principal etary to the PM, in which case, what oens to B.G. Deshmukh, who was also net secretary once?

ncivil services

elhi the friction between the "single ose" civil services — like the Indian way Personnel Service (IRPS), Cen- Trade Service (CTS), Indian Informa- Service (IIS), etc — and the "multi- ed" IAS is well-known. Now, a pro- l from the committee of secretaries threatens to deepen the divide. It recommends that recruitment to the IRPS, CTS, IIS and four other Central services be delinked from the common selection process (civil service examination) it has with the IAS, IPS, IFS and nearly 15 other Central services. Earlier, the Union Public Service Commission had recommended the delinking of four of these services, while the Satishchandra Committee set up to study the selection process had recommended the delinking of seven.

The wide range of duties that the IAS officers perform, unlike those of the other services, is apparently the ground for this proposal from the committee of secretaries. But officers of these services are very agitated because they see the hand of the IAS bureaucracy in this move. According to them, the 'elite' are trying to spike their prospects because, normally, in New Delhi's secretariat it is only officers recruited from the civil services who make it big. Officers from "specialist" services (as these seven services would be termed once they are delinked from the other Central services) would languish with poor promotion prospects.

The fate of these officers now depends on the cabinet, which is in possession of the file on the matter and is expected to take a decision soon.

Another north-south divide

Is there an *idli-dosa* (the popular, if nasty, euphemism for south Indian) clique in the ministry of urban development? Vinod



Pande: no love for idli-dosa

Pande certainly seems to think so. Recently K. Sivaramakrishnan, the secretary, wanted a particular officer transferred to his ministry. This officer happened to be a south Indian, like Sivaramakrishnan and his minister, Murasoli Maran. To get the transfer done quickly, the secretary spoke to Pande, who is said to have retorted tartly: "Do you want to convert your ministry into an *idli-dosa* one?"

Upwardly immobile

Many senior IAS officers are rather highly strung these days. Bureaucratic management being what it is, the promotions of these officers have been delayed. According to the pattern, all the officers of the 1960 batch should have been promoted to the rank of secretary, about a year-and-a-half ago. Today, some members of this unhappy batch are yet to be elevated, which has delayed the upwardly mobile down the line. Part of the delay is also due to the National Front government's policy of finding berths for officers of earlier batches who were superseded by the machinations of the Congress (I) government over the last three years.

Particularly affected is the 1963 batch, whose officers are scheduled to be promoted as additional secretaries this year. Like the rest, delays in promotions of the batches senior to them have held up this class, called the "ambitious batch" in the bureaucracy. Some members of this batch have now become so impatient that they have begun consulting a *jyotishi* to get forecasts on their promotions.

The following is the text of the speech by Mr. S.N. Agarwal, Chairman of Transport Corporation of India Limited, at the 25th Annual General Meeting held on 28th August, 1990.

TRANSPORT CORPORATION of INDIA L

1-7-293, M.G. ROAD, SECUNDERABAD-3 (A.P.)



Mr. S.N. AGARWAL

Ladies and Gentlemen,

I take pleasure in welcoming you to this 25th Annual General Meeting of the Company.

The Business and financial trends of your Company over the past years has been impressive. The Company attained an average annual growth rate of 17% over the past 15 years, in turnover. We have maintained our leadership in the goods transport industry which happens to be one of the fiercely competitive sectors in the country.

1. PERFORMANCE HIGHLIGHTS

It is indeed a matter of pride for me to report to you the financial results for the year end 31st March, 1990. This year has witnessed a remarkable growth in net profits, registering an increase of 121% over the last year. This has enabled the Board of Directors to increase the dividend to 18%. The turnover has touched new heights to Rs. 144 crores recording a growth of 21% compared to Rs. 118 crores (annualised) in the previous year. One of the units of the company Bangalore Wire Rod Mill which was consistently incurring losses is proposed to be sold. This will further improve the profitability and the liquidity of your company.

2. THE EMERGING SCENARIO

We look forward to the future with optimism since the economic trends are overly encouraging. The new Industrial policy with its economic liberalisation will enable 65% to 70% of investment effectively to be freed of the constraints of licensing which in turn will speed up the industrialisation in the country and as a result there will be a positive impact on the transport industry. The good monsoon is going to have a positive impact on the industrial activity in the country.

The share of road transport in overall freight movement has been showing a steady improvement. The share of Railways in the goods movement has dropped to 39% in 1989 from 78% in 1951. The current share of road transport is around 61% and even if the same share is maintained, anything between 700 and 1000 billion Ton Km will be the extent of cargo movement by the turn of the century compared to the current level of 278 billion Ton Km. The Eighth Five Year plan has projected a growth of 6% per annum in the GNP, based on which the rate of growth of road transport is estimated to be in the range of 14% to 16%.

I am happy to observe that commercial financing of road projects has begun in the country with the Infrastructure Leasing and Financial Services (IL & FS) providing finance for the construction of a 11.5 Km road linking Indore with Pithampur Industrial Estate in Madhya Pradesh. This is the first commercially financed road project in India. I hope this concept of Toll Road will be followed by many and the road length under this scheme will increase.

3. MOTOR VEHICLE ACT

The amendments to the Motor Vehicle Act ensure transport which will be safer, more secure, speedier and service oriented in more than one way. Much will however depend on the effectiveness of its implementation.

4. CONSTRAINTS

(i) ROADS

It is estimated that the country loses a staggering amount of Rs. 4000 crores every year on account of poor road conditions. Growth in road network has been woefully inadequate. While the road transport fleet in the country in the past has increased at 6% per annum the road network expanded at an annual rate of 4.5% only. Still more alarming is that the National Highways, which form the corridors of heavy traffic, have grown at 1.4% per annum only. It is shocking that less than 23% of the total revenue collected from road sector is invested in road building and maintenance. The Plan allocation for road development has been steadily on the decline from 6.7% of the total Plan outlay in the I Plan to 2.7% in the VII Plan. The problem related to the roads are going to be further compounded by the boom in the automobile industry.

(ii) TAXES

Another major impediment faced by the roa transport industry is the lack of uniform taxa policies in the country. The multi-point octro system is yet another factor that not only impedes the free flow of traffic but also has become a breeding centre for corruption. In spite of the vehement demand and the conviction on the part of the Central Government that the octroi system can be abolished, it is still prevalent in many states.

5. FUTURE OUTLOOK

We always welcomed competition and maintained that competition is good for the country, the industry and the business enterp as it generates the need and desire for all ro improvement in quality. We believe that it is combination of excellence and ethics that w sustain and strengthen organisations. These rightly found expression in our Corporate Mission.

On the new services front Gati Desk-to-Des Cargo, which is an innovative idea in goods transport specialising in the transfer of time sensitive and critical cargo through multi mo systems has made an impressive impact in th market. The Rent-A-Car business is expected get a boost as it is extending its operations t more cities and is facing good demand from corporate tourist sectors. Plans are also in th making to expand the operations of our Shipping Division. Bhoruka Textiles is expect to improve its performance on account of its own power generation which was a major constraint so far.

6. ACKNOWLEDGEMENTS

I welcome the new Directors to the Board of company, Mr. B. Ratnakar, Mr. C.N. Ramachandran and Mr. K.S. Mehta Mr. M.K. Agarwal, President of TCI, has been elevated to the Board as a wholetime Directo appreciation of his valuable services all these years.

I express my sincere thanks to the employees this Company who with their strong commitm to the well being of the company, have put fo their dedicated efforts in fulfillment of our Mission.

I also express my sincere thanks for the continuous patronage by our customers for whose services we have committed ourselves wish to acknowledge the support extended to by our vendors which made our endeavours fruitful.

This does not purport to be a report of the proceedings of the 25th Annual General Meeting.

This announcement appears as a matter of record only

Dabur INDIA LIMITED

COMMERCIAL PAPER PROGRAMME
Rs. 5,70,00,000

Dealer

PNB CAPITAL SERVICES LIMITED

Lead Bank

punjab national bank

New Delhi
Sept. 1990

Concept

Big reservation for small sector

Today's buzzword seems to be 'reservations'. It evokes strong reactions, and major debates continue across the country on the pros and cons of this policy. While it generally relates to job reservations for various underprivileged groups, in another important context it concerns industrial and manufacturing activity — the reservation of certain product lines exclusively for the small scale sector. This latter reservation was initiated in 1967 with production of 47 items being reserved for production in small scale units.

The objective of this policy was to support small scale industries, encourage them to embark on the production for which they were techno-economically capable, and to generate employment. Reservation was originally conceived as a temporary measure, to give the small scale industry the fillip it needed to come into its own, by restricting the large scale from further growth.

Perspective lost?

Somewhere along the way, though, we appear to have lost perspective. Today the number of items reserved for exclusive production in the small scale sector exceeds 800. The government is even talking about some 5,000 items that could be reserved! In the zeal to add more and more items to the reserved list, are we losing sight of some fundamental issues? For the small scale industry to thrive — indeed, to even survive — in today's environment, it needs to build up its competitive strength and its marketing base. It needs greater quality consciousness, more commercial and financial savvy. All this cannot happen overnight, as many a small-scale unit has discovered to its despair.

There is a perception that the large scale sector is the big bad wolf. It has been accused of stifling the growth of the small scale sector, of virtually strangling the economy. The truth, however, is that the large scale sector has been mainly responsible for India's rapid economic progress. Apart from its obvious contributions, the distribution network at the disposal of the large scale sector has meant that a housewife in the remotest corner of the land can use a trusted cooking oil; a farmer can sip a satisfying cup of tea; a schoolchild can bite into a favourite biscuit. It has provided the consumer alternatives, and value for money spent.

The large scale sector has played a key role in the country's economy over the years. It has steadily contributed to the national exchequer and brought in much needed foreign exchange through exports. Most importantly, it has spurred the growth of the small scale sector itself. The expanding markets created by the large industries have encouraged the mushrooming of ancillary industries employing thousands of skilled and semi-skilled workers. The large scale sector is a captive market for several items, such as spare parts and components, packaging materials, services and even finished goods which are produced by the small scale sector. It has also consistently provided technical know-how and financial support to the small sector to help it grow and stabilise.

Issues for consideration

While there definitely are areas in which the small sector can make a significant contribution and in which it should be given every encouragement and support, other issues need to be considered. Limiting the production of the large and medium units already operating in areas subsequently reserved for the small sector will only lead to increasing numbers of loss-making units. This will have a widespread repercussion on the country as a whole.

In order to survive, both small scale as well as large units need growth. Given our inflationary economy, an absence of growth can make these units unprofitable. This is the situation today: there is a freeze on volume growth and all other costs like labour and production continue to increase. It is not always possible or desirable to pass on these cost increases to the consumer. In the long run there is absolutely no hope for such existing units on a 'standalone' basis. The policies must encourage and reward efficient organisations, large or otherwise, and not create conditions which eventually make them sick.

With the growth of the market, those industries whose products have been reserved must be permitted at least volume growth related to total market growth: this will not inhibit the growth of the reserved small scale sector in that product range. Alternately, growth based on any other macroeconomic indicator may be permitted. This will not result in a bridled growth opportunity, but wi able the large scale units in res sectors to survive. It benefits no one large units become sick solely beca the limitations on their capacity im by the government.

Reservations may be necessary to 'child' stand on its feet, but are they sary when the child is off and runni the long term, strict adherence to a vationist stance will tend to defe very purpose for which the policy w stituted in the first place.

Populist motivations

It is unfortunate that perceptions a some in the government are condit more by populist motivations th pragmatic logic. There is an unhe bias against the corporate sector (n ways based on stated principles). Ta instance, the current view of the ind ministry that the large sector exploi small scale industries by farming ou duction to them. In reality, this ena large number of small units to grow a well despite their lack of mark strength, and at the same time enabl larger units to survive. This is a t win-win solution, which is, howeve negatively on emotional grounds. A that prevents this healthy synerg ween the sectors, will result in sickn both — a typical case of cutting o nose to spite the face!

To expect that the government wi ate an alternative marketing setup f small sector is totally unpractical, an in no way be more cost effective tha ising the strengths of the established keting and distribution channe existing large units. What is needed i itive thrusts, not negative approa There is room for growth in both se Small is certainly beautiful, but that alone is not enough. Instead of the government thinking small, it may consider thinking big about small and large in the interest of our country's future.



SUNIL K. A

The author is chief executive officer, managing director and president of Britannia Industries Limited



COME HOME TO WARM INVITING

Find yourself warmly received.
A cup of your favourite tea while you lounge in the lobby.
A soft, white bathrobe. And personal toiletry.
Gourmet cuisine to choose from.
A good book to read in the Business Centre. And, that liqueur so thoughtfully tucked away in the mini-bar...
Little things like these make you feel you've come home.

Taj Bengal

A whole new experience

THE TAJ GROUP OF HOTELS

TSA-C/TB/2690



T H E N E W V O

VOLTAS LIMITED
Appliances Business Group 19, J.N. Heredia Marg, Ballard Estate, Bombay 400 038. Phone: 2618131

Until now you could not get an air conditioner as advanced as this



For some, 'good' is not good enough. At Voltas, we felt it was high time someone designed an air conditioner for them. Using the latest innovations in technology to battle compromise. We've done a thorough job of it. Starting with a powerhouse compressor designed to convert every unit of electricity into maximum cooling. Aided by 'triple-ripple' cooling fins to maximise heat exchange. And the new extra-drive fan featuring 3-speed control. Every detail finely tuned, right down to the unique 'slip-out' fabric filter. The result is stunning. Cooling that is quick, constant, noiseless... and evenly distributed. The New Crystal Air Conditioner from Voltas. Now you don't have to make the best of what you have. Simply have the best.

VOLTAS

AIR CONDITIONER

AS CRYSTAL

The fine art of climate control



ULKA - 13116

RBI UNDER R.N. MALHOTRA

Has he made a difference?



R.N. Malhotra presides over the slow and none-too-smooth transition of the Reserve Bank o India from a tightly controlled central monetary authority to a publicly deregulated one attempting to match the ongoing process of economic liberalisation. But given the central bank's 50 years of ultra-conservative history, can one individual, no matter how capable, effect an overnight culture change so that the Reserve Bank's policy more realistically refle economic imperatives and more quickly?

Ram Narain Malhotra, the 69-year old governor of the Reserve Bank of India — the country's central bank — will go down in the history of the Indian financial system for several reasons. Although before Malhotra, C.D. Deshmukh and B. Rama Rau had the distinction of winning a second term as RBI governors, unlike them, Malhotra got his two terms from two different governments.

But there are more significant reasons why Malhotra stands out. In his six years as RBI governor, several far reaching changes have been effected in the financial system. How much of the credit for this should go to Malhotra is, of course, arguable. But the fact remains that during his tenure, after a lull in the initial two years (1985-86), banks in India have moved on from mere lending and borrowing to newer, more lucrative activities like merchant banking, mutual funds, leasing, factoring and hire purchase. Further, bank lending rates for commercial borrowers have been freed from the earlier ceiling. (October 1988); the call money market rates have been freed and more players and instruments added (October 1989 and March 1990); and the commercial lending rates were rationalised in mid-September this year.

Commercial viability

Malhotra with his obsessive concern for the health of the banking system has also been able to engrave in the minds of bankers and the government that the commercial viability of the banking system is as important as the need for it to serve social objectives. At the level of policy, Malhotra has emphasised the need to curtail government's budgetary deficits time and again. More importantly though, for the first time in the RBI's 50 odd years of existence, its annual report for 1989-90 has, in no uncertain terms, recorded that to enable the central bank to be the country's effective monetary and regulatory authority, the functions of the government and the RBI over the banks need to be clearly defined.

Malhotra was appointed to the post in 1 having just returned to India after an assignm with the International Monetary Fund (IMF) Rajiv Gandhi government at that time could have made a better choice. Having had first h experience, as an IAS officer, of administrati both the state and Central government le Malhotra was well acquainted with the wa bureaucracy. And eight years of exposure to international markets during two brief tenur the IMF and the World Bank had also inculc in Malhotra a willingness to innovate. For a ernment anxious to liberalise the economy yet not willing to risk failure, Malhotra's c bilities were just the right prescription. Malh in fact, turned out to be a result-oriented adm trator even if it involved a little compromis policy. He emerged also as an able negotiator a sharp insight into exactly how the other p (the government or the banking system) wo

Malhotra's style of operation is seen best o farm loans issue. His negative stand on waivers was, and is, well-known. And yet, whe National Front (NF) government came to p with a promise on its election manifesto to w farmers' loans, Malhotra did not resign. He ra chose to quietly negotiate with the governm and worked out a neat package that was base "free and reasonable criteria", ensured "n ward for wilful defaults" and made the state Central governments bear the entire burde the relief which is "likely to be around Rs.3 crore as against the earlier estimate of Rs.15 crore."

Three prime functions

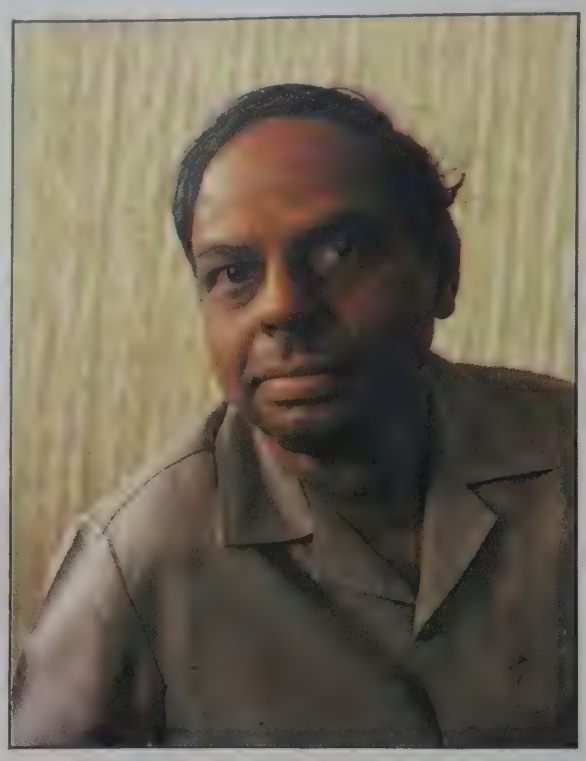
However, is it generally possible for the gove of the RBI to modify or influence government icy, the way Malhotra did in this instance? Fo answer, one would need to consider the para ters within which the governor functions.



The Reserve Bank, like any country's central bank has three prime functions. First, it is the country's monetary authority, expected to check inflation and rise in prices and thereby safeguard the internal value of the country's currency. Second, it must maintain the external value of the currency. And the third function is to supervise and control the country's banking and financial systems — the intermediaries between the people's savings and their users.

In the eighties, budgetary deficits — the gap between the revenue and the expenditure of the government — have increasingly become a source of concern for central banks the world over. Tussles between governments — perpetually under pressure to incur deficits — and their central banks are now an international phenomenon. For instance, Paul Volcker, who as chairman of the Federal Reserve Board — the US central bank — was responsible for bringing down the inflation rate in the US from 13.3 per cent in 1979 when he took over, to 1.1 per cent in 1987 when he resigned — says about expanding deficits, "It's inappropriate to run such large deficits for so long. It's one thing (to run them) if you are in the early stages of a recovery, but it is another thing to run these deficits after six years of expansion."

Though deficits are tolerated as a cost of development, beyond a limit they are resented, as they lead to inflation and price rising. The task of the monetary authority, therefore, is to bring about an equilibrium between fulfilling a country's development needs and keeping prices stable. What has Malhotra's contribution to this function been?



Rangarajan: key role in computerisation

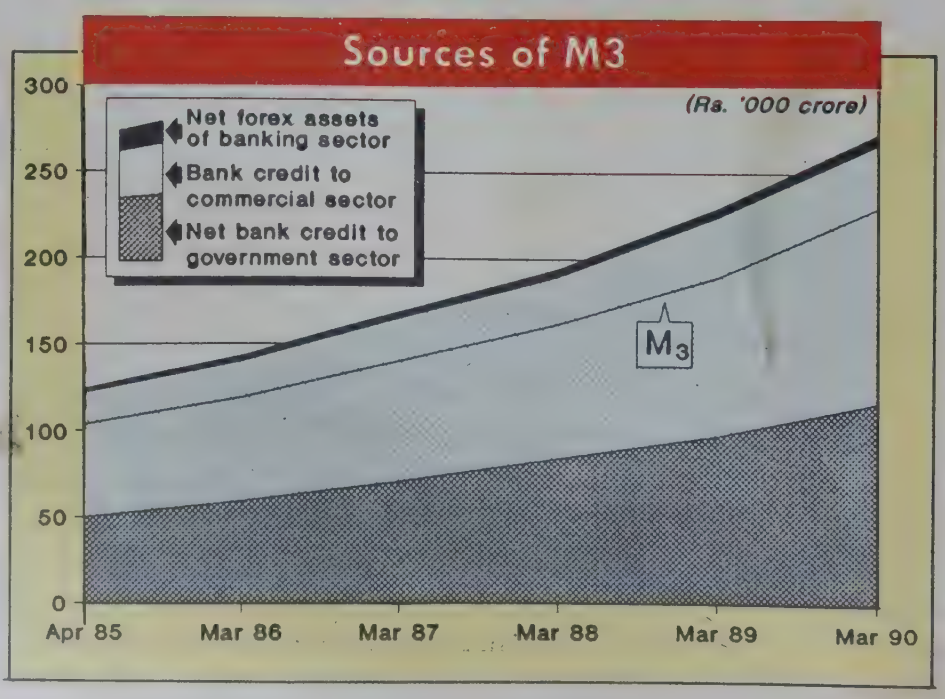
Another target of criticism is government borrowings. As a central bank, the RBI's function is to act as a banker to the government. Once the balance in the government's account reaches the agreed minimum, the RBI automatically replenishes (monetises) by issuing ad hoc treasury bills on itself. The government's borrowings from the RBI have, only during the last year, risen from Rs. 7,225 crore in 1988-89 to Rs.13,031 crore in 1989-90. Since these bills are never liquidated by the government, the RBI's status has been reduced from that of the central monetary authority to the government's currency note printing machinery.

The effect of these borrowings is felt directly on money supply, which has increased on an average 13 to 14 per cent annually, reaching an all-time high of 23 per cent last year. The consequent rise averaged 10 per cent annuall the money raised through budgetar cits been spent on development wor the production sector, it would hav a sound investment and earned go turns. However it is frittered away aries, defence and other such development activities, prom Brahmananda to dub Malhotra a team the "didactic slaves" o government.

And yet, can one go overboard in a ing blame to Malhotra? For one, he bring change overnight. True, com to Volcker — who fought inflatio words and deeds and was commen *Businessweek* for making it "diffic any future Fed chief to waver in ca out the central bank's mission in taining stable prices" — Malhotra out a much weaker central banker. performance needs to be viewed in torical perspective. According t banker-economist, when the first b deficit was monetised, the destiny Reserve Bank was decided. "Thou sh ways play second fiddle to government."

"Didactic slaves"

Monetary economists like P.R. Brahmananda have strong views on budgetary deficits. Budgetary deficits, according to Brahmananda, should not exceed 1 per cent of gross domestic product (GDP). But since 1985 when Malhotra took over, budgetary deficits have almost trebled. In 1989-90 at Rs.11,750 crore, these deficits were 2.4 per cent of the country's GDP — more than double the limit prescribed by monetary economists. And Malhotra, they say, has not been effective in containing the government.



Contain deficits

Nevertheless, Malhotra has let no o tunity slip to emphasise the need fo taining deficits and pleading for "ph out monetisation of deficits over a p of time." In view of the RBI having n utory power to contain the deficit RBI's only available option is to per the government against incurring deficits. It would appear that advice ing heeded. The present govern seems bent upon taking stern steps t tail deficits. It has even ised a review of performance in this rega riodically to Parliament first such review reveals the deficit is down alrea Rs.1,500 crore between July this year compared t same period last year. tion too is down from 8 cent to 7.4 per cent ove same period.

Undoubtedly, the qua performance of a central depends much on the go ment's perception of its and the cooperation it ex to the bank. Malhotra has quite fortunate in this re during the past few mo

der the NF government. Says a leading eign banker, "The very fact that a deve- ing country like India has registered y a single digit inflation rate, speaks umes for Malhotra's success." Al- ugh, it is ultimately the government ich has the real power to curb excess uidity, the central bank too has several ls to help the process.

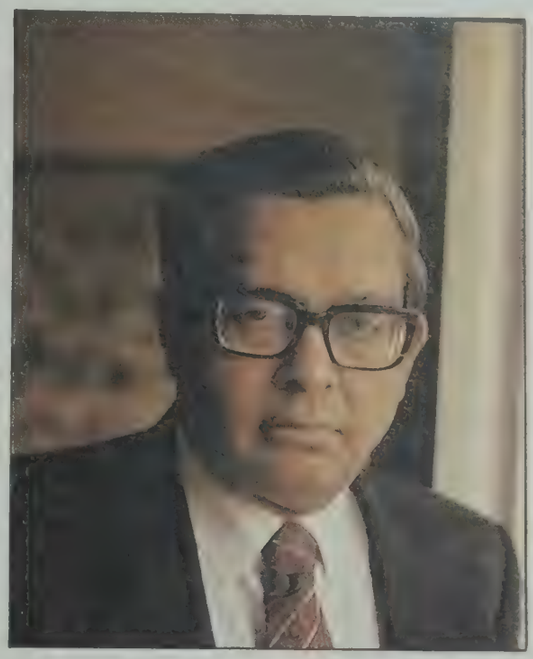
Over the past two years, the credit pol- has voiced a concern over excess liq- ity. The cash reserve ratio (CRR) has ched, though, in stages, the maximum he 15 per cent permitted by statute, l the statutory liquidity ratio (SLR) is high of 38.5 per cent. Both aim at con- lling money supply from the demand e which is done by limiting the supply of ney. But in order not to hamper the pri- y areas, through selective credit con- ls, credit is increasingly channelised ards the priority areas, food credit, for tance, at concessional rates.

edit not controlled

cording to an economist, in a develop- economy, demand for credit can never artificially controlled. In fact, efficient rs of credit, who are affected first in es of a credit squeeze, have always nd other and often cheaper sources of nce. During the past five years the gov- ment's liberal policies, for instance, e kept mutual funds and non-banking vate financial companies flush with ds. The capital markets also have in- asingly attracted public savings. C. garajan, RBI's deputy governor in rge of monetary and credit policy, ugh, contends that money in these nnels is secondary money. In other rds, the money received through these rmediaries is also ultimately routed ough in banks and hence, comes under grip of traditional tools like CRR and . Thus, according to him, this money y serves to increase the velocity of ney or circulation.

gain, the intention of these measures ever to needlessly squeeze the produc- sectors. The fact that bank credit to commercial sector increased mar- ally from Rs.21,687 crore in 1988-89 to 22,630 crore in 1989-90 proves the nt. However, the RBI would prefer it if excess credit needs of the non-priority tors are met through public savings her than increased money supply.

Observers say Malhotra could have n more innovative in mopping up ex- liquidity rather than going about it in round-about manner. Nor, for that



Amitava Ghosh: prefers less controls

matter, has he extended his reach to encompass the newly emerged money supply sources outside the organised financial system. Unfortunately, in the present Indian context, the other available alternatives for financing the deficit cannot be implemented. Raising taxes is a difficult political decision. And the government borrowing directly from the market is just not possible as the rate prevailing is 20-22 per cent.

Even the open market operations in government securities are out of question for fear that the prices of these securities might fall. In the circumstances, automatic monetisation of deficits seems inevitable. All the more reason, says an investment banker, "The RBI could have sucked away this created money by simultaneously introducing some novel schemes." (The additional dearness allowance given early this year to government employees, for instance, was directly credited to employees' provident fund accounts.)

New alternatives

There are other possibilities too. The widening of the financial markets has offered new alternatives to channelise public savings. Yet the investment scene today has more investible funds than investment instruments. As D. Basu, deputy managing director of SBI, points out, if the sectors crucial for development like power, bridges, roads, etc. are opened up to the people for investment, this development could be financed through genuine savings rather than through deficits. Accountability to the public would be by way of returns.

However, the decision on privatisation can ultimately be taken only by the government. But has Malhotra tendered any advise to the government on this? Although historically the RBI has obediently administered government policy rather than functioned as an independent monetary authority, playing an active role in shaping those policies. In the circumstances, if the Reserve Bank were given the autonomy to function as an independent monetary authority, would Malhotra be able to allow some imagination and innovation to filter into the financial system? The answer may not be too difficult to make going by the changes the banking system has seen recently.

Between 1985 and 1990, the financial system has become more flexible and competitive. Money markets are freed of the ceiling on interest rates, have more



Cheque clearing: supervising and controlling the banking and financial systems

Swissair Customer Portrait: Hafeez Contractor, Architect.

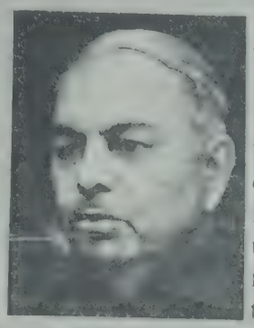


Swissair's daily schedule to the Far East is Hafeez Contractor's blueprint for a bon voyage. Hafeez brings to his creati a rare precision, dependability and indulgence. The very hallmark of Swissair, that is quite naturally his choice of flig So whenever Hafeez looks eastwards, Swissair is a daily sight. From Bombay to Singapore, Hong Kong, Seoul, Jaka and Bangkok. Our luxurious First, comfortable Business and attractively priced Economy Class, are as enjoyable as hospitality and service. Now take a tip from Hafeez and discover the best view of the exotic East from Swissair's windows.

For details call your IATA travel agent or the nearest Swissair office:
AHMEDABAD 449149 • BANGALORE 211983 • BOMBAY 2872210 • CALCUTTA 444643 • COCHIN 360380 • DELHI 3325511 • HYDERABAD 211144 • KATHMANDU 222452 • MADRAS 8

The leading role

The 1989-90 annual report of the Reserve Bank of India discusses for the first time autonomy for central banks in some detail. Within the Indian context, it defines autonomy for itself as minimising the existing overlap of functions and responsibilities between the government and the Reserve Bank over commercial banks. Business India *spoke to* **Ram N. Malhotra,** *the present RBI governor, about various issues relating to RBI's role. His views, based on a written and a personal interview, are summarised here*



Budgetary deficits: Our target of money supply growth this year conforms with the estimate of the overall budgetary deficit. Given a reasonable outcome on the fiscal front, the target should not be difficult to achieve. In case of any major deviations, the Reserve Bank will take measures as necessary.

Credit culture: The real challenge in the near future is to improve the environment for recovery of bank dues. For this the recovery efforts of credit institutions should be effectively supported by the Central and state governments.

Direction of liberalisation: To the extent our financial institutions are able to strengthen their capital, adhere to prudent accounting policies and avoid risk concentration, it would be possible to open the financial system progressively. At the same time, since our financial system has to meet many social concerns a measure of regulation is implied.

Autonomy for RBI: The major characteristic of the autonomy of a central bank is its ability and independence to control the growth of money supply and to regulate credit, including its price.

The Reserve Bank has advocated that the automatic monetisation of the budgetary deficit of the Central government should be phased out over time. An interim objective could be to place a limit on the amount that the central government can borrow from the Reserve Bank, say in terms of a percentage of GDP.

An implication of this approach is that the Central government would increasingly raise its borrowings in the open market at market rates. Such a development would also enable the Reserve Bank to carry out effective open market operations, which is increasingly used as the method of monetary control by central banking authorities.

At the same time, since monetary policy is a part of the overall economic policy, a measure of co-ordination between fiscal and monetary policies would always be necessary.

Convertibility of the rupee: The time is not yet ripe for liberalising foreign exchange rates and making the rupee convertible. The Indian economy, particularly its export performance and balance of payments, would have to be much stronger before such a far-reaching liberalisation can be put into effect.

Devaluation of the rupee: Keeping the value of the rupee at realistic levels helps our export effort substantially. We would, however, be happier if our performance on the price front vis-a-vis that of our major trading partners could improve substantially. This and other relevant policies in the fiscal, trade and industrial areas could help in stabilising and strengthening the rupee.

Banking division vs RBI: The Reserve Bank has well defined powers of supervision and control over banks under the Reserve Bank of India Act as well as the Banking Regulation Act. Some powers under these laws are vested in the government. The banking department (now the banking division) was established in 1969 to achieve the purpose for which banks were nationalised.

The banking division helps the finance minister perform several ownership related functions with respect to public sector banks. Several of these functions are performed in consultation with the Reserve Bank. However, there is some overlap. Now that the arrangement has been working for over 20 years and public policies regarding banking are well settled, the arrangement could perhaps be usefully reviewed.

Action plan for bank supervision: The idea of action plans arose from the realisation that there was scope for improvement in systems and in implementation of policies within banks. Action plans which aim at improving bank performance in several crucial areas are drawn up by banks themselves according to RBI's broad guidelines. The periodical reviews by the Reserve Bank are an exercise of its supervisory function.

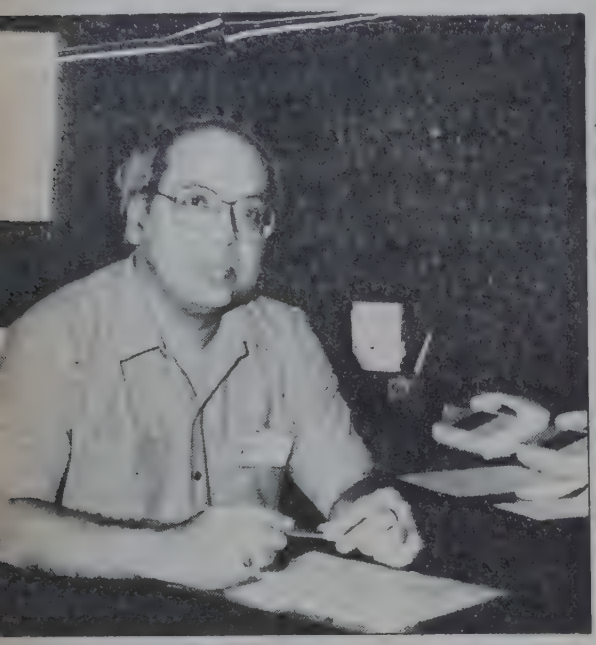
Control vs regulation: The Reserve Bank is moving towards greater prudential control and reduction of detailed regulation of banks. However, a major part of our "regulation" is related to national policies for providing substantial credit to priority sectors of the economy at concessional interest rates. It also aims at enabling the government and governmental institutions to raise resources from banks. Regulation has also been necessary for extending bank services in the country in an orderly fashion.

Bank profitability: Bank profitability is primarily the responsibility of bank managements. However, several steps have been taken in recent years to ease policy-related constraints on bank profitability. Diversification of banks' activities should also help improve their income. Through the action plan banks have been encouraged to keep expenditures under control and improve credit administration and cash management.

RBI's control over the entire financial system: Apart from the existing control, the RBI proposes to gradually establish procedures and conventions to oversee non-banking financial institutions under the relevant legal provisions. It has already initiated the process of supervising commercial banks and their non-bank subsidiaries on a consolidated basis.

Future of the financial system: India needs a buoyant financial system, subject to broad prudential controls. We encourage institutions to become a different breed — efficient, professional, leaner, modern and more resilient. Several banks and their subsidiaries have made a good start in handling new activities and instruments. These subsidiaries are compact establishments with emphasis on professionalisation and new technology which have been allowed to operate with considerable freedom and flexibility. We will continue to play a promotional as well as a guiding role in this area. I am optimistic.

players and newer instruments. Interest rates on lending have been freed. The credit authorisation scheme has been replaced by a credit monitoring arrangement which gives banks the freedom to give large credit without RBI permission even as the RBI keeps an eye over the movement of large credits. And most significantly, banks may, either directly or through subsidiaries, diversify into more lucrative activities like mutual funds, merchant banking, leasing, factoring and hire purchase. What has Malhotra's contribution to bringing about these changes been?



Kalyan Banerjee: read rules better

Most bankers — the aggressive as well as the sedate — agree that the changes are "bold and innovative" and "are a step in the right direction." They were made more in response to the changed domestic (as a result of government policies) and international environment. How much of these changes are the direct result of Malhotra's personality is open to estimates. The question can be answered only by posing another hypothetical question — what would a Ratnakar in place of Malhotra have done? As for Malhotra, the observers say, "after making a beginning, the RBI went into deep slumber."

Caution not to be faulted

Their main grouse is that there is no full-scale perspective of liberalisation. Changes in culture, however, are always beset with risk of failure and, the decision-makers are accountable to posterity. "Still," argues one banker with a reputation for innovativeness, "The problems arising from a thorough-going attempt at liberalisation could have been sorted out by making experiments at the individual level and copying successful experiments later at the macro level." The system as it now prevails at the RBI gives very little freedom and incentive to operational heads to risk any experiment. And really Malhotra's caution is not to be faulted much.

The proponents of experimentation in fact, don't grudge the caution even if it slows the pace of change. What they resent is the manner in which the changes are being made. Take the new instruments, like commercial papers (CPs) and certificates of deposit (CDs), introduced in 1989. A year later the question of who must pay the stamp duty has yet to be clarified by the Central Board for Direct Taxes. As a result, there is virtually no secondary market for these instruments. Say D.K. Vora, deputy managing director, Herdillia Chemicals, "Had these problems been resolved before introducing them in the markets, the acceptability of these instruments would have been far better." Again, the question here is that of sequence.

On the precarious front of foreign exchange too, Malhotra and his team have lacked the imagination and quickness to respond to situations. Over the past few years, for instance, the export import policy has been considerably liberalised. Exports are fast becoming central to the activity of corporate firms. The Foreign Exchange Regulation Act (FERA) has not been amended to keep pace with these needs. Nor have the relevant procedures been simplified. Exporters' orders have jumped ten fold, But they are unable to expand capacity because to do so they need to fill up at least 120 forms and wait for approvals.

According to Kalyan Banerjee, chairman and managing director, EXIM Bank, "The RBI is only an administrator of FERA and has no role in promoting trade. But in its administrative role, it could have been more constructive in interpreting the rules." The delegation of powers to regional offices or even to bank branches which any way sanction and grant export finance, would have quickened the decision-making process and left more time for the RBI to tackle policy level issues.

Plan for equilibrium

Critics also point out that although the present exchange rate policy is pragmatic and realistic, a more aggressive exchange rate policy would have helped in further boosting country's exports. Of course, a convertible currency is ruled out at this stage by the finance minister himself. Rangarajan, "To make the currency vertible, the current account bala should be adequate." This is a must, a initial response to making currency vertible could be flight of capital. And adequate balances in the current acc can enable a country to withstand th tial flight. But, the exporting comm feels that a further devaluation o rupee would have helped exports hampered illegal traffic and imports

"The question today," says Basu c SBI, "is not whether the current acc will achieve equilibrium, but wheth have any medium term plan to reach equilibrium." The time certainly is ri gradually start moving towards a con ible currency by loosening FERA con And the RBI's specific role here, as id fied by those associated with exports advise the government. Has it done

Says Amitava Ghosh, deputy gove in-charge of exchange controls, "W moving towards more delegation, d ulation, less controls and more simpl tion." Ghosh also says an RBI star committee gets feedback from expo and from institutions involved in ex finance. However, to correlate the r and the changes made is equally in tant. Says one critic, "The RBI has be an institutionalised regulatory me nism. Why can't it be a pathbreaker?

This image of the RBI has a lot to do its bureaucratic style. Says a former c

Central banks: how independent are they?

Bundesbank (Germany): Law ass the bank's independence from the eral government in conduct of m tary policy.

Bank of England (UK): Nigel son, the chancellor of exchequ 1987, summed up: "I make the sions and the bank carries them

The Netherlands Bank (Ne lands): Though it is the second independent European commu central bank after Bundesbank to duct its own policy on interest and intervention in the foreign change markets, the law allows minister of finance to issue a dire ordering the bank to comply with ernment policy.

National Bank of Denmark (mark): It is allowed freedom to d interest rates but gives the governm

right to express its view. In prac-
, the bank listens and is less asser-
than the Bundesbank.
Bank of Italy (Italy): It has little in-
pendence from the treasury which
ide the discount rate. But the bank
practice free because it is indepen-
t of party politics and has superior
lity senior staff.
Bank of Portugal (Portugal): It is the
st autonomous central bank in Eu-
e. The bank has control over mone-
policy, "under the direction of the
nce ministry". But there are signs
hange as the finance ministry is
king on a draft law to increase the
tral bank's independence.
ank of France (France): It has "to
ch over money and credit within the
nework of national economic and
ncial policy." Normally, decisions
taken with mutual consent; in case
a dispute, government's view
ails.

of a large nationalised bank, "At RBI, thinking process is a monopoly at the est level." And at higher levels, every knows, one does not have much time ink. Naturally, the considerable time between a chance sighted and the s response results in several oppor-ties missed.

ne Gulf crisis is one instance where a could have cashed in on the much ded remittances from non-resident ans (NRIs). But its "interest less" of-of FCNR deposits has diverted the ls away from India. This was to be ex-ed given that that RBI's foreign ex-nge policy has always been servative. As one banker puts it, "The y is more tuned towards risk aversion towards rewards." The fact that the still values gold reserves at prices of ifties and sixties rather than at cur-international prices, would seem to him out.

similar snail's pace is evident in the s supervisory role. Malhotra's unique ribution to the RBI's supervisory role e concept of action plan which he in-uced in 1987. Under this, a bank pre-s two year action plans in which it rts minute details of its performance om deposits and advances to house-ing and profits. Malhotra sits with bank's chairman every quarter to re-the bank's performance in all its l.

e question observers ask is, "Is this the job of the Reserve Bank governor?" The RBI, of course, answers in the affirmative. After all, the health of the banking system is the concern of the central banking authority. But as one banker points out, "it is a sad reflection on bank chairmen that they need a headmaster to tell them what to do at every step."

Further, the liberalisation process has brought in many new players and much more savings into the financial markets. But the RBI's controlling net has yet to spread in correspondence with this process, resulting in a partial disequilibrium. Instead of monitoring the banking sector while outside players including bank subsidiaries, mutual funds and private non-banking financial companies make hay, shouldn't the RBI concentrate on regulating the entire financial system?

One outcome of the unorganised sector's free movements is that some distortions have taken place in the system. N.A. Mujumdar, former economic advisor, RBI, points out some such major distortions in an article published in a weekly. Mujumdar writes that the structurally loose financial developments have "de-emphasised" the role of commercial banks, placing them in an unequal situation. The interest rate structure too has been distorted with some savings instruments offering almost 35 per cent return and the return on savings bank deposits remaining static at 5 per cent for over two decades. And the new instruments, like CPs and CDs are indicative of the underlying premium available to bigness.

Keeping in view all these, Mujumdar advocates financial deregulation first, and than financial liberalisation to correct the distortions. Though slowly, the RBI is, no doubt, moving, in Malhotra's words, "from detailed controls to broad regulations." Says G.C. Dobby, chief executive officer, Hongkong Bank, "In giving up some of its powers by permitting deregulation and relaxation, the RBI is moving to a new role in the management and guidance of financial and foreign exchange markets."

And this new role will bring more challenges. Once the Indian markets become more liberalised, with more interlinks with global markets, Malhotra and his successors will have a task on hand. More often than not, they are likely to be pulled back by the existing system and by institutional arrogance. Says a senior banker, "Malhotra is quite bold, and extremely receptive. But the system is difficult to penetrate." Vora, representing industry comments, "The liberalisation in the economy has brought about many changes and industry now needs to produce a greater quantity of quality goods. In order that the financial system supports this liberalisation, the changes in the financial system need to match the changes in the economy."



The old RBI building: will the institution move faster now?

The growth of a country's financial system depends on the vision of the country's central bank and the autonomy with which it is able to function as the central monetary authority. There is vision undoubtedly. In a global environment however, one needs quicker responses and bolder decisions taken on the basis of authentic information. RBI's attaining autonomy, would facilitate this process further. It all depends on how innovative RBI can be.

■ ALPANA KILLAWALA

ANTI MANDAL AGITATION

Students' wrath



Agitators' roadblock: too late for explanations

S.S. Chauhan, the student who burned himself to death in Delhi on 24 September, is symbolic of what the anti-reservation stir is about. He was from a so-called upper caste but was poor, worked as a peon in a government office and attended school in the evening. Why did he immolate himself? He could not understand why, after surmounting innumerable hurdles to acquire the minimum qualification, he would be barred from a large number of government jobs. Just before setting fire to himself, Chauhan had told a fellow student, "I too am poor and needy. But just because I am supposed to be from an upper caste, I am an outcast to V.P. Singh."

The official version is that the implementation of the Mandal Commission report would mean reserving only 40,000 jobs for backward castes, classes and tribes. In a country where the root of the problem is not reservations but unemployment, it is tragic that the youth should have to fight for so few jobs. Union communications minister Janeshwar Mishra, who is responsible for starting negotiations with the students, says, "How can we condone self-immolation? It would be the same as legitimising *sati*. They are our children. We want to talk to them, explain what the Mandal Commission is about. But we cannot be lenient when they are committing a crime."

Self-immolation is definitely a crime, but politicians who refuse to take a stand openly are committing a greater crime. V.P. Singh clearly blundered by not popularising the concept before implementing it. Mandal himself had predicted a backlash if the report were to be implemented suddenly. But electoral politics weighed heavily with the prime minister, who wanted to take all credit and thus consolidate the backward-class vote bank. What is perhaps the biggest crime is that the ruling party allowed the violence to escalate. Intelligence sources confirm this.

The events since the anti-quota stir intensified in mid-September raise several questions: why has the situation been allowed to deteriorate so far? Why weren't police pickets around the hospitals as soon as Rajiv Goswami was admitted? Why did the police resort to firing on unarmed students?

Yet, the events of the last week bode ill. Arms have been smuggled into campuses; no party is willing to take a stand; the political leadership seems to have abs itself of any responsibility — each h own axe to grind; and the political p with strong presences in the student munity are reportedly extending support to the violent movement. M the members of the Equality Front Congress (I) activists) are well-kno either NSUI (the Congress (I) st wing) members or sympathisers. could not have continued the agi without the consent of their party b

BJP undercurrent

Even while the BJP party leaders ha made any strong statements again report, they allow ABVP member supporters to participate in the agit The worst of the rioting took place in which are the BJP's traditional vote b An ABVP student admitted, "The B dercurrent is supporting the stir."

Meanwhile, there is hectic lob

Students and the Mandal Commission

A couple of hours after the government's decision to implement the Mandal Commission's (MC) recommendations was announced on 7 August, all the newspapers received messages from Jubilee Hall, a post graduate hostel in Delhi University, requesting that a students' meet at Patel Chest Institute the next day, to discuss the impact of the decision be covered. The formation of the Anti-Mandal Forum at that time was received with much scepticism as the initiative had largely been confined to the upper caste students from Bihar who are in Delhi to prepare for the UPSC examinations.

Besides the Jawaharlal Nehru University which is dominated by students from Bihar, Orissa and West Bengal, the prestigious Maulana Azad Medical College (MAMC) also joined the Forum, though the students' unions backed either by National Students Union of India (NSUI) or Akhil Bhartiya Vidyarthi Parishad (ABVP), (the students wings of Congress (I) and BJP respectively) kept quiet on the issue.

Soon, the movement caught on in all the 60 odd colleges of the Delhi University. Soon, NSUI declared its support to the Forum, and joined the agitation under the pseudonym, Equality Front. While the Forum's agitation remained peaceful, Front members carried their tradition of violence. While t Forum members went about formin human chain around Parliame House, the Front members were bu hijacking and smashing DTC buses a blocking roads. ABVP also could not sist joining in. Some student leader the party formed a new unit, Chha Sangharsh Vahini, to keep BJP's na out.

A fortnight after the indefinite c sure of schools, things remained pea ful. Then, out of the blue, two stude of Deshbandhu College in South De attempted immolating themselv and the shock threw the rest of the s dents into a frenzy.

■ FEROZE AHM

Open a Beauty Parlour for Contessas



And Marutis, Premiers, Ambas-
dors and Accords. All it takes is an
e for opportunity. And a Ceccato
to Wash System from Elgi. The fully
tomatic system foam-washes the
tire car. Gives the undersides and
es a thorough scrubbing. And
lishes the paintwork to an immacu-
e shine. All in three minutes flat.

Now if that isn't a beautiful busi-
ness opportunity what is?

CECCATO
AUTO WASH
FROM
ELGI

Stimulus/Elgi/45/90

enquiries, write to **Elgi Equipments Limited,** India House, Trichy Road, Coimbatore-641 018. Phone: 30355. Grams: HYDRAULICS. Telex: 0855-222 ELGI IN. Telefax: (0091) 422-34344

edabad: Tels: 409336, 409112 & 407583. **Bangalore:** Tels: 576638 & 567589. **Bhopal:** Tels: 61733. **Bombay:** Tels: 4930163, 4930164, [illegible]. **Bhubaneshwar:** Tels: 55004 & 56785. **Calcutta:** Tels: 280425, 287382 & 282029. **Cochin:** Tels: 360155 & 362443. [illegible]. **Jaipur:** [illegible]. **Madras:** Tels: [illegible]. **Madurai:** Tels: 31404 & [illegible]. **New Delhi:** Tel: [illegible]. **Ranchi:** [illegible]. **Salem:** Tels: [illegible]. **Distributors: Lucknow.** [illegible]. (Res.) **New Delhi:** Auto Service Equipment. Tel: 5752217. **New Delhi:** Service Equipment Company. Tels: 3313011 & 3310473. **Pune:** Garage Equipments Corporation. Tels: 655487 & 654291.

SWIL ON FAST TRAC

Speech delivered by Shri S.N. Khaitan, Chairman, at the



Shri S.N. Khaitan

Ladies & Gentlemen,

It gives me great pleasure to welcome you to the 27th Annual General Meeting of your Company.

The notice convening this meeting, the audited Accounts and the Directors' Report for the year ended 31st March 1990 have been with you for some time and, with your permission, I will take them as read.

THIRD SUCCESSIVE YEAR OF RECORD ACHIEVEMENTS

Your Company has moved ahead with improved momentum and posted impressive results in the year under review. In comparison to last year's annualised figures, the turnover registered a healthy growth rate of over 30%. In line with the growth in sales, profit before depreciation improved by more than 31% to Rs. 4.34 crores. Profit after tax of Rs. 2.51 crores represents an even more impressive increase of over 48% on an annualised basis.

The much improved bottom line has generated considerable confidence in your Company with the share prices touching the Rs. 70 mark for the first time. Thus, those shareholders who subscribed to the rights issue of the Company made at par in the ratio of 1 for 2 have been more than amply rewarded for their confidence in the Company.

It is a matter of pride and satisfaction that the Company's growth in the second half of the last decade has been phenomenal as would be evident from the key financial figures tabulated hereunder :

	1985	1989-90
	(Rs. In lacs)	
SALES	1352.76	4034.40
PROFIT BEFORE DEPRECIATION	113.66	434.12
DIVIDEND DISTRIBUTION	16.98	64.94
DEBT : EQUITY RATIO	1.86 :1	0.98 :1
EARNING PER SHARE	Rs.1.18	Rs.9.57*

*On capital enlarged by a rights issue of 1 for 2

This sustained growth in sales and improved financial parameters have been achieved by a combination of constructive planning and hard work. Continuous upgradation of production facilities coupled with uncompromising commitment to maintenance and improvement of product quality enabled the Company to command better prices, achieve larger volumes and enjoy a pre-eminent position in the market place. To my mind, however, motivation of employees with commitment to personal accountability at all levels, above all, made the growth possible.

CURRENT YEAR'S WORKING

I am happy to inform you that the working of th Company in the first four months has been high satisfactory. Cash generation for the first four months has been Rs. 174 lacs against Rs. 434 lacs during the whole of 1989-90. Barring unforeseen circumstances, I expect that in the current year the Company will have yet another period of impressive performance.

DIVIDEND

With a view to rewarding the shareholders, whi ploughing back adequate finance into business the Board has recommended a dividend of 25% would be observed that the rate of dividend ha been steadily increased in each of the last 4 financial years.

EXPORT PERFORMANCE

I am glad to inform you that the response to th Company's participation in the Paper Asia Fair i Tokyo last year was very encouraging. The Company has registered an impressive growth i export turnover from Rs. 51 lacs in the 15 month period ended March 1989 to Rs. 86 lacs in the ye under review, representing an increase of over 110% on an annualised basis. Product quality conforming to international standards and sustained effort by the Company's marketing department through a network of selling agent abroad made it possible for the Company to ent new markets overseas. You would be glad to know that the quality of the Company's produc has been very favourably seen even in the highl competitive markets like Japan.

DEVELOPMENT,DIVERSIFICATION AND MODERNISATION

Production of the high value Double Layer Synthetic Forming Fabric at Uttarpara stabilised in the year under review. The production of this item in collaboration with Tammet Oy of Finland marks a milestone in the Company's efforts to upgrade its product range. The quality of the fabrics has met with approval of the foreign collaborator and has been well received by larg paper mills in the country. Orders for the same are in hand from domestic and overseas buyers

IMPROVED BOTTOM LINE

Annual General Meeting of the Company held in Calcutta on the 4th day of September, 1990

Commercial production on a wider width loom has commenced. Plans to set up two more looms are on the anvil. The looms will enable the Company to cater to the increasing demand in the domestic and overseas markets.
The necessary Government approvals having been received, the Company is currently implementing a programme for upgradation of technology for the manufacture of Dandy Rolls and ancilliary equipment in collaboration with Sinclair International, U.S.A. A team of Company's engineers has already left for training in the collaborator's works in the U.S.A and it is expected that production based on the new technology will commence by the year-end.

The Company has also taken effective steps for indigenisation of various high cost imported spares and sub-assemblies by importing drawings and the in-house efforts of the Company's R & D department are expected to result in substantial savings in foreign exchange.

THE NATIONAL ECONOMY

Our economy has done well in the 7th Five Year Plan period. The growth in agriculture returned to trend (2.6%) following excellent crops in 1988-89 and 1989-90. Growth in industry has been particularly strong. There was clear evidence that industrial growth in the 1980s was significantly faster than in the 1960s and 1970s. There was a marked improvement in export performance. Export grew by over 10% annually in the last four years showing prospects of further growth in the years to come.

These achievements, however, have not relieved the economy of the burden of deficits, India's exports are rising but its imports are outpacing its exports creating an adverse trade balance. While the Government is resorting to foreign borrowing to meet its bulging import bill, inside the country it is raising loans on a large scale to meet its rising expenditure. In the nineties an effective debt management policy has to be pursued to take care of these problems. I must mention that the Government's thrust on raising exports and pruning wasteful and non-plan expenditure is timely and is in the right direction.

Two other areas pose tough challenge. They are unemployment and industrial sickness. A reasonable estimate of number of sick units as on date will be around 3,00,000. An estimated 60 million people are unemployed in the country against half the number employed in the organised sector.

Against the back drop of increasing indebtedness, deteriorating foreign exchange reserves and massive unemployment, the Government needs to carefully think over its developmental strategies and then accordingly frame its economic policies. Bulk of the Central Government's revenue comes from the organised sector and this fact alone requires that extra care is exercised in framing policies affecting the corporate sector.

It is heartening to note that the Eighth Plan will focus on these problems. The Prime Minister has declared the nineties as the decade of the farmers, and the Planning Commission has favoured an employment-led growth during the plan period. The promise of guaranteeing the right to work to everybody has also raised hopes among the unemployed. It seems, to create work-avenues, the Government will further facilitate the growth of industrial sector. An indication in this direction has been given in the last Budget Speech of the Finance Minister and in the Government's signing MOUs with industrial units in the public sector. I sincerely hope that the new thrust on raising corporate efficiency will give the desired results.

In a matter of a decade we will be entering the 21st century. The next century will be characterised by tough competition in the world markets. Further, the emerging single European trade block will pose a challenge which will really test India's efficiency as an industrial economy. India has emerged as the tenth industrially advanced nation in the world and I hope it will improve its position in this decade.

EXPORT INCENTIVES

I had in my last year's speech suggested that imports of duty-free capital equipment, with an attached export obligation, be allowed to boost exports. I am happy to note that the concept has found favour with the Government. On this score, I would like to repeat my other suggestion of basing computation of export profits under Section 80 HHC of the Income Tax Act on the principle of marginal costing with respect to the exported product. Export markets are most often tapped to improve capacity utilisation with pricing on the basis of marginal costs. Therefore, it would be in the fitness of things to compute profits for relief under Section 80 HHC on the concept of marginal costing.

ACKNOWLEDGEMENTS

Before concluding, I would like to once again place on record my appreciation for the co-operation and assistance received from the Central Government, Governments of West Bengal and Maharashtra, All India Financial Institutions, the Banks, our team of motivated employees and my colleagues on the Board. I would also like to thank the shareholders for their continued support and confidence in the Company, and also for attending this meeting.

Calcutta
Dated : 4.9. 1990

S.N. KHAITAN
CHAIRMAN

ACI/SWIL 1190

SWIL LIMITED
27A, Camac Street, Calcutta - 700 016

Note: This does not purport to be a record of the proceedings of the 27th Annual General Meeting.

satya group

Custom Moulding from Sintex



You name it, we can do it !

At Sintex we have refined the craft of custom moulding to an art.
In any industry the specifications vary from job to job and the standard containers might not be able to satisfy your need.
The next time you are stuck up in such a situation,come to us, give us the specifications and we will make a satisfactory product out of it. In fact, we have already developed a host of innovative products for a variety of customers.

For Further information contact :

SINTER PLAST CONTAINERS

Plastic Division : **The Bharat Vijay Mills Ltd.**
KALOL (N. GUJARAT) 382 721
Phone (02764) 2228, 2274, 2352, 3144, 3145.
Gram : "SINTEX", Telex : 01205-202 SPC IN.
Fax : (02764) 2385

Bidhan SPC/158/90

within each party on the country's leadership. Instead of looking for possible solutions to the crisis rocking north India, leaders are busy discrediting each other. Vasant Sathe is in favour of the Congress (I) forming the government if necessary but V.N. Gadgil says, "Should the Congress (I) take over now, we would be the losers — this government could last for a year at the most and whoever is in power is sure to be discredited. We would rather come back with a convincing majority in the polls."

The BJP had earlier decided to withdraw its support to the present government to ask for a change in the Janata Dal leadership. But senior leaders then felt that if V.P. Singh were ousted now, he would become a messiah for the backward classes. So they decided to back the Janata Dal as long as V.P. Singh led it.

Within the Janata Dal, there has been a move to replace V.P. Singh with Chandrashekhar and ask for the resignations of the two Union ministers and party leaders who staunchly support the Mandal report — Sharad Yadav and Ram Vilas Paswan. J.B. Patnaik and Chimanbhai Patel — the chief ministers of Orissa and Gujarat — also backed this move. Reportedly, Ajit Singh, industries minister, threatened to resign if Jats were not added to the backwards list. But UP chief minister Mulayam Singh Yadav has decided to side with V.P. Singh for now.

The shaky government has thus got another reprieve. But if one of the party's office-bearers is seriously considering leading the anti-Mandal agitators, it could polarise the party. Arun Nehru has already said that he has "reservations about reservation".

V.P. Singh reportedly met president R. Venkataraman last week to persuade him to announce a mid-term poll; the president refused unless the BJP and the Left also demanded the same. But the president has also reportedly indicated that he would prefer Singh to continue in office.

Alienating the students

The government's insistence on "clarifying the students' misunderstanding" of the report has not aided dialogue with the students. "How can we come forward?" some students ask. "It is a spontaneous agitation and what should we go to the negotiating table for? They only want to explain what the Mandal Commission is all about, not dilute it."

In his statement, which was telecast on 26 September, the prime minister reiterated that he would not shirk his re sibility. But he also ruled out any ren on the implementation of the report has not changed the students' stan he is not willing to change his stan should we talk to him?" they ask. while there has been intense politic tivity in Delhi. Janata Dal presiden Bommai, M.S. Yadav, Biju Patnaik, Lal, Rajmohan Gandhi and Surendr han held protracted meetings to wo a solution. Union ministers Maneka dhi and Jagdeep Dhankar have openly condemned the armed repre of students.

But it is too late for explanation alignments or discussions. Unless th ernment can coax the students to there could well be a bloodbath i north. Congress (I) MP and spokes M.J. Akbar, says, "There are corpse



Police hustle away a student rioter

ween a solution and the Mandal Co sion report now. The prime mi should have had a national debate implementing the report. People have vented their anger in fo instead."

The government hopes the studen tire themselves out, which is hardly Chandrashekhar says: "The gover hoped that Khalistanis in Punjab tire themselves out. Look at the sit in Punjab now. No government has able to tire out a movement of this and all such attempts have societies."

What is unquestionable is that leader has diminished himself by va ing on the report. And the countr have to pay for the moral impotence leaders.

■ RUCHIRA

We have people who check the people who check the people who check your aircraft.



You might well call it excessive German thoroughness that we don't let our technicians work unsupervised on an aircraft until they have completed four years' basic training and have at least eight years' practical experience.
It goes without saying, however, that their work is still inspected by an even more experienced technician who, in turn, is checked by a highly qualified engineer. And, after all that, there is the independent inspector from the technical control department who reports directly to the Board of Management.
We call this Lufthansa's contribution to inflight relaxation – it's something we simply owe you and ourselves.

Lufthansa

ASIAN PAINTS

Secrets of a supremo

In spite of adverse market conditions, the country's premier paint manufacturer continues to run a trim and profitable operation. New products are being launched, diversifications planned, and the industrial paint segment attacked with greater gusto

With the festival season around the corner, the mood in the paint industry should have been optimistic. But escalating raw material costs, increasing competition and indifferent government policies, among other reasons, have dampened the exuberance, in most paint offices, that is, except at Asian Paints India Ltd. The country's premier manufacturer of paints, varnishes and synthetic resins continues to grow, profit and diversify at a pace which leaves competitors gasping for breath.

When it was started 40 years ago, Asian Paints' narrow product range consisted only of ready mixed and stiff paints. Today, the company manufactures and sells a wide range of decorative paints and enamels, chemical resistant coatings, varnishes, automotive coatings (including refinishes) and synthetic rubber latexes. The company also has the facilities to manufacture its entire requirement of synthetic resins.

Though the company's products have changed over the years, the families of the four original promoters — Suryakant Dani, Champaklal Choksey, Chimanlal Choksi and Arvind Vakil — have remained together. Each family holds about 12 per cent of the controlling stock. In 1984, Champaklal Choksey and Suryakant Dani stepped down as managing directors. Their places were taken by Choksey's son Atul and Chimanlal Choksi's son Ashwin.

Impressive margins

For the year ending March 1990, while Asian Paints' sales touched Rs.304 crore, runners-up Goodlass Nerolac could manage only Rs.115 crore and Calcutta-based Berger Paints was third with Rs.100 crore. In the recent past, Asian Paints' turnover has doubled every four years and gross assets have doubled every three years. Over the last year alone, its turnover increased 29 per cent — from Rs.234.26 crore (annualised) to Rs.304.38 crore. Similarly, gross profit increased by 40 per cent and net profit by 43 per cent. The gross profit margin has averaged an impressive 9.23 per cent over the last three years. Finally, at the end of March 1990, reserves stood at an enviable Rs.56.49 crore.



Workers in Bhandup plant: labour problems had nearly rattled the foundation



Atul Choksey: crossing the landmar contributed to the confidence

But it has not been always so co able. A debilitating six-month long in 1986 triggered by inter-union riv the Bhandup plant nearly rattle foundations of the company. Admit aging director Atul Choksey, "The dup problem shook our spine." T good monsoons after 1987 helpe company function smoothly again a of the first things the company di launch a multi-pronged backward gration programme. In 1986, imme after the Bhandup strike, Asian Pai ceived an industrial license to ma ture 15,000 tonnes of phthalic anhy a key raw material used in paint ma ture. Set up at a cost of Rs.21.5 cro new plant was located at the GIDC tial Estate in Ankleshwar. The nex the company set up Pentasia Che Ltd jointly with the Tamil Nadu g ment for the manufacture of two mo materials — pentaerythritol and s formate.

New production techniques

Simultaneously, a multi-plant, product strategy was launched. Tw paint plants came up at Patancher dhra Pradesh, 1987) and Kasna Pradesh, 1989). Inter-plant system set up and this led to the company ing new production techniques for plant operations. "With growth in t mber of plants, we have had to int the plants much more finely," say Murty, general manager (Bombay and personnel). Each new plant ha equipped with more and more so cated and automatic machines an result, worker strength has dec Thus, while the Bhandup plant em 574 workers, at Ankleshwar, Patan and Kasna, it is 275, 105 an respectively.

enior managers are proud of the wide ge of the products Asian Paints manu- ures. "For many years now we have introducing one new product every years," says C.V. Abraham, senior gen- manager (marketing). Among recent ches have been Royale, a premium ity emulsion and Apca, an automotive ish. Even though Apca was launched this February, it has already grabbed per cent of the market. In recent ches the accent has been on high e added items which cannot be easily icated by small scale manufacturers mulsion paints with complex resins, isticated synthetic enamels, etc. all scale manufacturers cannot pro- consistant quality, nor can they dis- te goods over a larger area like we ' says Abraham.

sian Paints also undertook a major puterisation drive. It was among the Indian companies to use computers it installed a mainframe way back in . In the mid-eighties, the depots all the country were also networked ugh telephone lines to the central centre at Goregaon in north Bombay. , about Rs.3 crore has been spent on puterisation at Asian Paints. "It has ght about a sea change in our com- ," says R.B.Tirodkar, general man- (technical) in charge of R&D. "In my department, for example, comput- tion is helping immensely to keep of formulations, costs and budgets." ese measures had the desired effect soon the results were apparent. Asian Paints crossed the Rs.100 crore sales turnover landmark in 1984, touched Rs.200 crore three years later and in another three had gone beyond Rs.300 crore. "Crossing the landmarks contributed to the employees' confidence," says Choksey.

Simultaneously, perceptions of the company changed. A study conducted by the IDBI in the mid-eighties also acknowledged Asian Paints as one of the six best Indian companies in terms of managerial and organisational philosophies, value styles and systems. More recently, in March 1988, K.C. Luyben, the reputed Dutch firm, ranked Asian Paints first among the world's top 30 paint companies in return on shareholders funds. While the average return of the 30 companies was 13.4 per cent, that of Asian Paints was 30.8 per cent.

How does Asian Paints do it, despite tough constraints? Over the last five years, for example, the cost of materials consumed as a percentage of total sales has averaged a high 65 per cent. Yet Asian Paints has not just survived, it has prospered. The secret lies in "adequate control over costs which has resulted in a lean, fit organisation. Even though the company employs 2,303 people (constant over the last nine years) and runs six plants besides 42 sales depots, total overheads for the last five years as a percentage of sales has averaged a low 23 per cent. "We economise wherever possible," reveals a senior official at the Bhandup plant and points out a problem the company faced a few years ago: rising material losses. A small committee was quickly set up which came up with solutions and also resulted in setting quality standards of the various products at different plants. Again, when packaging costs rose, the company began looking for alternative materials and today, many of the water-based paints are packed in plastic instead of costlier tin containers.



ct being tested: constant upgradation in range

Major strength

The company's distribution is another major strength. Their dealers can be supplied even at the shortest possible notice and quality is always consistent. Asian Paints has 7,000 direct and 20,000 indirect dealers. This does not mean that new dealers are being appointed indiscriminately. "Too many dealers and they will start losing interest in our company. Too few and we will not be able to service them properly," reasons Abraham. New dealers and customers are being constantly tapped through different and innovative ways.

Its method in West Bengal is illustrative. In the early eighties, Asian Paints ranked fifth in sales in Calcutta, home to other well-known paint companies like Berger, ICI, Jenson & Nicholson and Shalimar. To make itself more familiar to the people of Calcutta, the company decided to exploit the "Bengali's emotional attachment to culture," as one dealer puts it. The Bombay paint giant started organising contests for the best *pandals* during the popular *pujas*. Every six months, it also gave awards — handed out by reputed artists — for the best painting and theatre performances. In four years, Asian Paints had become the number one paint company in West Bengal as well. Of the Rs.100 crore West Bengal paint market, the company's share is today estimated at about 15 per cent.

Several other reasons have been cited to explain the phenomenal success of Asian Paints. Says Murty, "Our directors have always believed in investing back into the company." Even competitors are quick to praise Asian Paints. "The best thing about them is their methodical and systematic marketing. They never follow the herd mentality when launching new products," says an executive at Jenson & Nicholson's marketing department.

Nevertheless, in spite of such achievements, there still remain some grey areas. Tax planning is one. In 1990, addition to gross block was Rs.43.36 crore. Yet the tax rate (tax as a percentage of profit before tax) has come down from 28 to 22 per cent

when it could have easily come down to under 20 per cent. (The tax rate in the last five years averaged a high 29 per cent). This could have been easily avoided given the new projects/diversifications.

Weak in exports

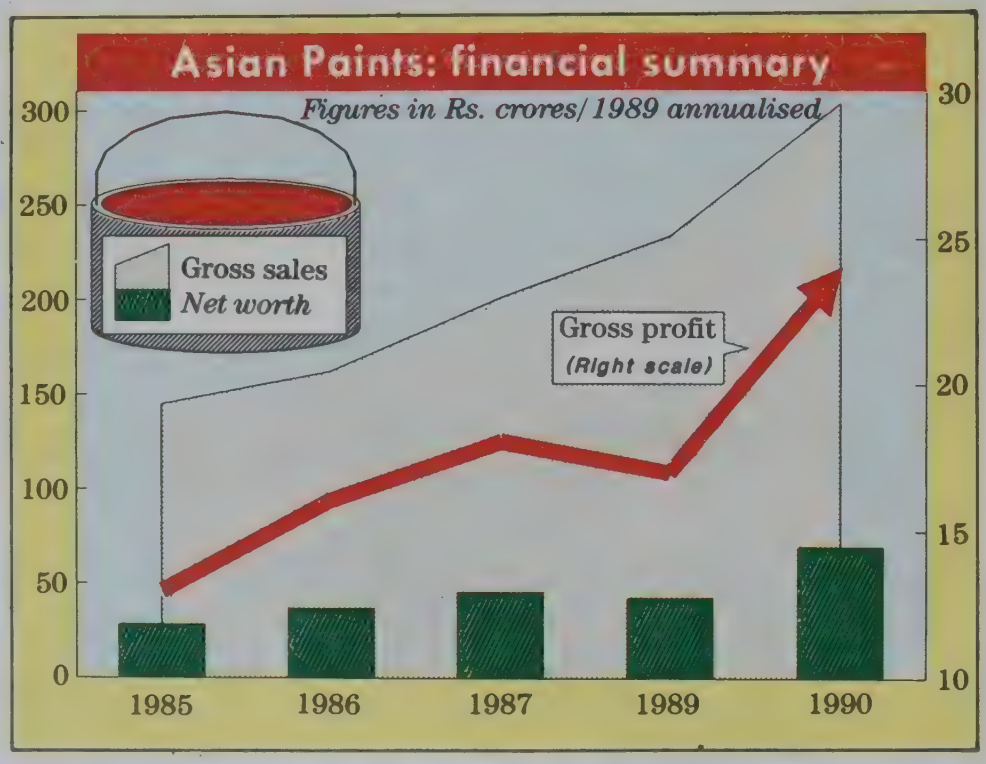
The company is also weak in exports. Last year it exported goods worth Rs.1.14 crore — less than half a per cent of total sales. In 1989, it had exported goods worth Rs.4.58 crore (annualised) mainly to the Gulf. But later, nearly every Gulf country had created its own capacity. According to a member of the Indian Paints Association, Asian Paints had to move out of many foreign countries it was operating in because of their tariff protections. It also stopped selling in the West German market because it found maintaining warehouses and sales forces in that country prohibitively expensive and the 24-hour deadlines very difficult to meet.

The company was also very late in tapping the industrial segment of the market. Competitors like ICI and Goodlass Nerolac have a much better presence here. Industrial paint makes up only 8 per cent of its production, the rest is decorative paints. In the auto refinish market, Asian Paints' share is estimated to be only about 7 per cent. It is only after the special industrial paint section at Patancheru has gone on full stream that the company seems to be seriously considering increasing its share in this neglected area. Technical collaborations have been signed with Devoe Marine Coatings Company of the US to manufacture marine offshore and industrial maintenance coatings and with Nippon Paint Company, Japan, a leading manufacturer of automotive coatings. As a direct result of the second collaboration, Asian Paints has become the second Indian paint company (after Nerolac) to supply paint for the Maruti car.

Choksey explains this late entry: "It's only in the last three to four years, after the LCV and scooters market picked up, that lots of opportunities have shaped up in industrial paints. Earlier, the returns were not very lucrative. Collection of money was not prompt and there is no point doing business if you are not able to recover your money fast enough. While others give up to three months' credit, our policy has always been to restrict the credit period to a maximum of 35 days."



Abraham: "a new product every two years"



Shareholders' grudge

Even though its payout and liberal policies are on a par with those of FERA companies, Asian Paints shareholders bear a grudge. (A specified share on the BSE, Asian Paints was quoted at around Rs.267 last week). They point out that inspite of an excellent track record, the company has not issued any bonus shares in the recent past (the last one, in the ratio of 1:2, came in 1987). Explains Jhaveri, "We may be the leaders but we should not forget that we are operating in a very co tive field. Our policy is to muster sources in every possible way."

Choksey agrees that things are go adds that they could have been with a little help from the goverr The organised sector of the paint in has been repeatedly subjected creased hikes in government dutie have always been getting step-mo treatment from the government," plains Choksey. "It does not agree w when we say that paints protect mor they decorate."

Nevertheless, Asian Paints' pla clude diversification into the ma ture of titanium dioxide — the important raw material for white — and ceramics, which may be tota related to paints but for which the ing marketing network may provi requisite synergy. There are plans t in on the store of experience fro kleshwar and Tamil and set up joint ve abroad for the ma ture of phthalic anhy pentaerythritol an dium formate. A pai tory in Australia i being discussed.

There is no doub much more can be ex from Asian Paints years to come. Toda spite tough compe and unfavourable g ment policies, the co has managed to keep trim and profitable. T row, if market cond turn favourable, the pany could take off in big way. Over each next three years, Asian Paints plans crease its turnover by 20 per cent. Al in the first four months of the curr nancial year, sales are 15 per cent the corresponding period last year. ple often ask us, 'You are by far the l so what is left?" says Choksey. "Bu country is so large that there is mu tapped potential left."

He points out that while the per consumption of paint in developed tries is 24 kg, in India it is onl grammes. "This country has dem and a large market — ideal conditio doing business," adds Choksey dr cally. "There is enough room here more Asian Paints."

■ RAJ

POWER MATTERS. BUT SAFETY MATTERS MORE IN THE OPERATION OF NUCLEAR POWER PLANTS.

After commissioning, a nuclear power
ant is declared "commercial" or "in-
rvice", thus becoming a full-fledged power
tion to supply electrical power to the grid,
an approved tariff. Throughout its entire
rvice life of 25 to 40 years, its performance
measured in terms of capacity factors
F), i.e., the actual power output compared
rated output, on monthly or yearly or
mulative (lifetime) bases. But, most
portant is the criterion of how safely the
nt operates, with respect to the radiation
posure to occupational workers (individual
d collective), members of public and the
vironment.

Ensuring continuous cooling of reactor fuel
d maintaining integrity of five successive
riers between radioactivity in fuel and the
blic, are safety requirements of the highest
ncern constantly achieved by specially
ensed plant operators, strictly adhering to
echnical Specifications" issued by the
gulatory Body which reviews their
mpliance regularly.

lobal excellence in nuclear wer plant operations.

enerally, nuclear power plants maintain
h capacity and operating factors. During
9, the top ten units in the world, achieved
mulative capacity factor (CCF) of 91%
6% with Canadian PHWRs ranking
nd to fifth: Point Lepreau (89.6%),
kering-7 (88.2%), Pickering-8 (88%) and
ce-8 (87.1%). On the whole, 37% of the
ts recorded a CCF of over 75%; 44%
wed a CCF of 50-75%; 13% touched
CF of 25-50% and the balance 6%
cated a CCF of less than 25%.

s regards radiation exposure, the annual
ective doses recorded per reactor are
cally highest for Boiling Water Reactors
VR), followed by Pressurised Heavy
er Reactors (PHWR) and Gas Cooled
ctors (GCR). Yet, throughout the 5000 or
eactor-years experience with civil nuclear
er plants the world over, there has been
ignificant radiological impact either on
upational workers, members of public or
environment, except in the case of the
rnobyl accident, which will be reviewed
in this series.

dian experience in nuclear wer plant operations.

e Tarapur Atomic Power Station
PS), the first nuclear power plant in
a, has been operating satisfactorily for
ty-one years. Recently, it has been re-
d from 210MWe to 160MWe, because of
navailability of secondary steam
rators. The Rajasthan Atomic Power
on (RAPS), the first PHWR in India has



Rajasthan Atomic Power Station

OPERATING PERFORMANCE OF NUCLEAR POWER PLANTS

Nuclear Power Plant	Cumulative (lifetime) capacity factors (%) as of Dec. '89	Cumulative Electricity generation (Terra-Watt-hrs) as of Dec. '89	Annual Collective Dose per Reactor (Man-Rem)
GLOBAL			**(1980-85 average)**
PWR	65.4	8348.6	590 (USA)
BWR	61.9	3954.3	1000 (USA)
PHWR	71.0	906.0	131 (Canada)
Magnox (GCR)	60.2	851.3	90 (UK)
AGR	41.6	233.3	
INDIAN			**(lifetime) average as of Dec.'89**
TAPS-1 (BWR)	48.1	18.4	
TAPS-2 (BWR)	50.4	18.9	1615
RAPS-1 (PHWR)	24.1	7.5	
RAPS-2 (PHWR)	54.0	9.5	806
MAPS-1 (PHWR)	47.8	6.4	
MAPS-2 (PHWR)	39.3	3.5	592

Terra-Watt-hour = 1000 Million Kilo-Watt-hours

There is an obvious need to improve on capacity factors and reduce collective radiation doses and outages in Indian reactors. This is being actively pursued.

been in service for 17 years. Virtually a prototype, leaks in its south endshield in 1981, caused shutdowns lasting 4 to 5 years. But, since August 1987, its operations were resumed at 50% of full power. RAPS-2 which became "commercial" in April 1981 has been operating fairly well. The Madras Atomic Power Station (MAPS) is the first totally indigenous plant. Unit 1 since January 1984 and Unit 2 since March 1986 were performing very well. But in 1989, both units suffered several months outages, due to damage to moderator inlet diffusers. With temporary repairs carried out, at present, the units are operating at 75% of full power, pending further repairs to restore full power. Overall safety record at all power stations has been excellent.

The in-service lifetime annual average of outages, as of May 1990, for various units is: 9 for TAPS-1, 9 for TAPS-2, 14 for RAPS-1, 14 for RAPS-2, 18 for MAPS-1 and 21 for MAPS-2, bringing the annual average for outages in nuclear power plants to 14. In comparison, the all India thermal power plant figure of 8,000 outages in a year (1987-88) for 250 units works out to an average of 32 outages per year per unit, which is more than double the average of nuclear power plants.

NPC. Committed to meeting the nation's energy needs.

To achieve a better standard of living today and to conserve our dwindling energy reserves for future generations, we would need an optimal mix of thermal, hydel and nuclear sources for fuelling India's growth needs. That's why NPC has just one major overriding goal. To harness the power of the atom. To help India achieve self-sufficiency in power generation for generations to come.

NPC. Fuelling a powerful future.

Want to know more about nuclear power? Send your queries to:

NUCLEAR POWER CORPORATION
(A Govt. of India Enterprise)

Centre No. 1, 16th & 20th Floor,
World Trade Centre, Cuffe Parade,
Bombay-400 005.

Issued for public information by the Directorate of Environment and Public Awareness – Nuclear Power Corporation.

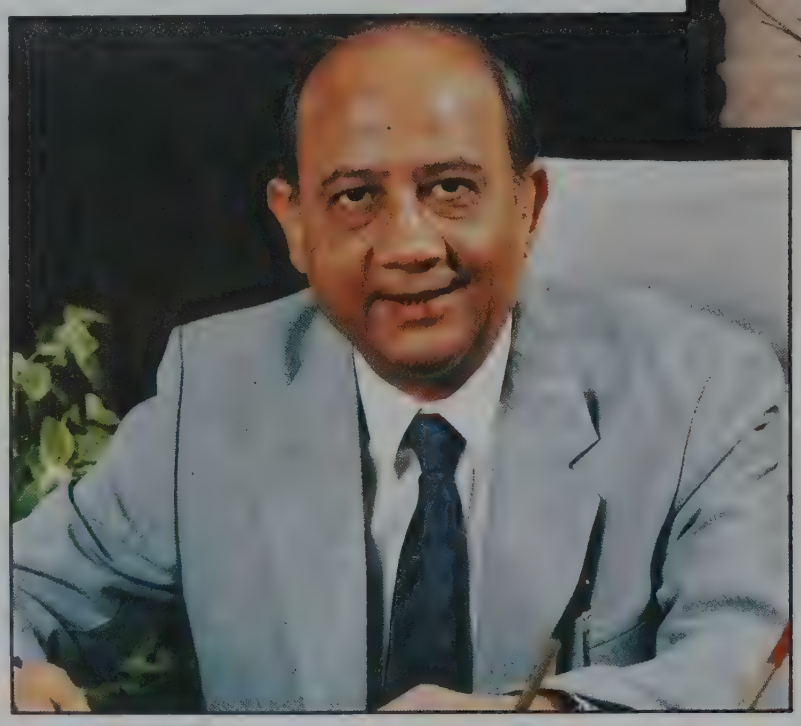
THE BHARAT VIJAY MILLS

On the water tank front

Almost overnight, this company transformed the image of the ubiquitous water tank by using clever technology and marketing. But its textiles division which was known for product innovations has a lot of catching-up to do

Selling water tanks is not quite like selling toothpaste or toilet soap. While toothpaste is marketed as a brand, the good old water tank is sold as a water tank. That was the story till Sintex plastic tanks came along. Aided by some very effective advertising on Doordarshan Sintex has, in the last few years, become a name most people would associate with water tanks. These lightweight and easy to handle tanks are fast replacing the older metal and concrete boxes that for so long dotted the urban Indian skyline.

Indians bought more than 200,000 water tanks last year. But the company that manufactures them — the highly conservative Ahmedabad-based Bharat Vijay Mills (BVM) — remains largely unknown. It began making plastic tanks as a minor diversification from its textile operation in the mid- seventies at its sprawling 40-acre estate at Kalol in north Gujarat. And a decade later when recession swamped the textile mill, the company refocused its attention on the plastic tank business.



Arunbhai Patel: best years were 1977-80

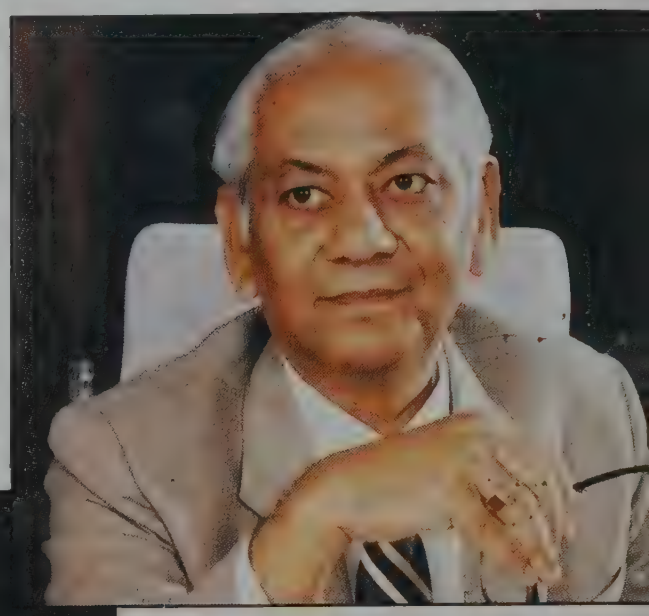
Last year, the Sintex division brought in as much as 40 per cent of the company's Rs.79 crore turnover and most of its Rs.5.25 crore profit. The rest came for the first time in nearly ten years from its textile mill. Now Arunbhai and Dineshbhai Patel, the two Ahmedabad-based brothers who run the company under the common designation — managing director — find both BVM's major divisions making profits simultaneously.

Despite its small size and low profile, BVM has been in the forefront of textile industry innovation for years. Natwarlal Patel, an Ahmedabad businessman, bought the mill in the forties and ran it till 1972 before handing it over to his two younger brothers, under whom BVM became one of India's first mills to manufacture synthetic fabrics and corduroy.

The mill's fabrics have always been premium products. Ahmedabad textile merchants, so goes one industry story, would queue to buy BVM's sheer polyester chiffon sarees, shirting and dress materials. Meanwhile demand for its superfine varieties of cotton cloth continued unabated.

The seventies were the halcyon years for the company. Between 1977 and 1980, the mill registered the highest profit per loom in the country during the span. "At that time," says a textile merchant, "BVM was among the top three textile mills in the country." For the financial year 1980, BVM's profit before taxes — about Rs.2 crore — was 7 per cent of its total turnover for the year, and 4 per cent higher than its current performance.

In the early eighties, however, not only did the company fail to anticipate the coming recession, it also decided to expand by buying the loss-making New Commercial Mills in Ahmedabad. "Everything about the decision was wrong," recounts D.D. Trivedi, a leading management consultant in Ahmedabad. This purcha incided with the onset of the long slu the textile industry. And for the firs in its history BVM made a loss — b 1985 and 1986. "The managemen too high a price for an irretrievabl unit," says Trivedi. After trying u cessfully for several years to make th break even, the management sol



Dineshbhai : high losses from sick m

1986. "The cumulative losses fro venture were in the vicinity of crore," says Dineshbhai Patel.

The disposal of New Commercia immediately reflected on BVM's itability. After two successive ye losses, it earned a profit of Rs.3.5 c 1987, which by last year had ris Rs.5.25 crore. What has ensured BV nancial soundness is the Patels' con tive finance policies. Profita (measured as return on capita ployed) has grown steadily to ab per cent this year, better than the in average. And the gross profit margi per cent is the best the compan achieved in five years. Nothing di BVM's soundness more than its share — quoted at around Rs.230 ago, it now commands a price o Rs.1,000 on the Ahmedabad exchange.

But Trivedi thinks the company h yet fully exploited the economic a tage of its superior product line. Th an absence of a second line of profes managers in the textile unit. Othe feel that despite several firsts to its BVM's textile unit does not have a profile. The current advertisement b for the textile unit is a paltry Rs.30

Even today, after nearly 50 years business, it does not have a single shop outside Gujarat. About 90 per



Zodiac for Carlo Bernini

As usual the Italians are flirting with the latest, hottest number.

Here's the line the passionate Italians are falling for. Zodiac. Exported to Europe's leading fashion houses. The international look of the season is now available in India. Check it out. And you'll see what makes Carlo whistle with such fervour.

The soul of Europe. The spirit of Zodiac.

Z O D I A C

SHIRTS TROUSERS TIES SOCKS BELTS WALLETS HANDKERCHIEVES

Only 10% of Zodiac's production is sold in India.



RHIZIC Z·



Dangayach: quality and marketing critical to Sintex's success

the fabric is still sold to the company's old family of wholesalers, most of whom are in the south. Explaining this conservative marketing policy, or rather the lack of one, Arunbhai Patel says, "In the absence of a complete product range it will not be profitable to open high-profile BVM retail outlets outside Gujarat."

Split personality

But like a character with a split personality, BVM handles its plastics division very differently. It has employed state-of-the-art technology and used an innovative marketing strategy to rapidly become the market leader. The plastics division — Sinter Plast Containers — was established in 1975 with an initial investment of Rs.50 lakh. The Sintex range of products — plastic industrial containers, material handling containers, water tanks, etc. — were made versatile use of as overhead, underground, loft, on-ground and even transportation tanks. Sinter Plast is now the largest processor of rotational moulded tanks in the world.

"The success of our operations depends on two critical factors," says S.B. Dangayach, president, Sinter Plast Containers. Quality is ensured by controlling the purchase of raw materials, which it imports from DuPont, Exxon, Dow etc. This is of vital importance to the company when competing with the small scale sector.

The second critical factor is marketing. Sinter Plast's strategy exemplifies the innovative application of technology to create an entirely new market. The first rotomoulded large HDPE (high density polyethylene) industrial containers were far from instant hits. At that time plastic had not yet gained currency — while the moulded containers and tanks were virtually leakproof, they were thrice as expensive as the traditional metal containers and RCC (reinforced cement concrete) tanks. "We aimed at the replacement market. Our gambit was to convince potential users of the superiority of our products vis-a-vis traditional products," explains Dangayach.

Even today, the unit's marketing team educates both consumers and dealers about the relevance of its products. Adequate advertising support in leading journals, newspapers and on TV has kept the dealers loyal to Sintex. The company's extensive national distribution network of 350 'dealers' monitors over 5,000 outlets for Sintex products.

Creating demand for tanks

Sinter Plast also exploited the steel and cement shortages to get a lot of business from state governments and local bodies. These sales comprised four-fifths of Sintex's total sales at one time but was, according to Dangayach, "only a short-term strategy". The consumer market had still to be developed. In June 1985, a 20-second TV spot highlighting the tanks' versatility boosted demand severalfold and dealers too began clamouring for the product. "The TV spot helped us capture the lion's share of the country's plastic water tank market — 75 per cent," states Desai. Between 1984-85 and 1989-90, Sintex's net sales leaped from Rs.4.16 crore to Rs.32.2 crore. The promotional budget also increased from Rs.18 lakh to Rs.4 crore.

To retain its competitive edge in the face of competition from the small sector, the company has cut the p Sintex water tanks by 10 per cen product now retails for Rs.3 to Rs.3. litre compared to the Rs.2.50 to Rs litre for the small sector clones. Plast is also setting up regional p tion centres. A plant to manufacture and containers already exists in galore, another will become fully tional in Calcutta by this Decembe a third is planned at a site in North

Dangayach sees PVC doors, wi and sections as products for the According to him, the company has ventured into areas that have imm relevance to the country's economy PVC doors and windows will help co timber resources and reduce costs," he says. The company expe ponential growth in the sales of products from the current Rs.3 cr recently concluded a technical coll tion with RCC Industries Ltd of Sing for the transfer of knowhow for tionally moulded plastic products.

Chemicals division

Meanwhile BVM's other interests a ing well. Its wholly promoted Dia and Chemicals Ltd (DACL) erect first indigenous plant for the manuf of ethylamines at Baroda. Ethyla are organic chemicals used in the facture of pesticides, textile auxil paints, adhesives and resins, dru pharmaceuticals and allied produc plant began commercial product 1982 and is today one of the eight world which make these vital prod

Two years ago the company ente international market when it ex 240 tonnes of diethylenetriamine land, Spain and Belgium. "DACL turned the corner in 1984 after its ucts were included in the list of import items," explains Arunbha company, with an equity base of crore, achieved a sales turnover o crore in 1989-90. Arunbhai expe mand for these chemicals to esca 1992, when DACL's installed capa ethylenediamine and piperazine doubled to 5,000 and 300 tpa respe

What does the future hold for BV cording to Trivedi, the company wi tinue to grow steadily. But it will abandon its conservative managem textiles and build upon its streng quality products, healthy cash re and foresight — to do even better.

■ NEERA

Here's a piece of intelligence all mainframe computer users need...



The M Series of Intelligent UPS systems from INVENTA incorporate new generation microprocessors which make them much smarter than conventional systems.

The M Series not only records all key parameters continuously but also maintains a log of operation of the entire system. And the system is designed to interact with you intelligently.

In case of a fault, all this crucial information can be transferred to a computer or plotted on a printer. This makes diagnosis very easy and dependable and reduces down time.

Of course, you can still opt for our standard line of conventional transistor UPS systems without the micro-processors. After all, we define the leading edge of transistor technology as well.

And remember, all our systems are custom built: a full range from 5 KVA to 250 KVA and upwards for a list of customers that include MICO, L&T, BHEL, Tata Unisys, TISCO, Citibank, Tata Honeywell, HAL, AT&T, SAIL, ECIL, CMC, IFFCO, RBI, Indian Railways, Defence and so many others.

INVENTA

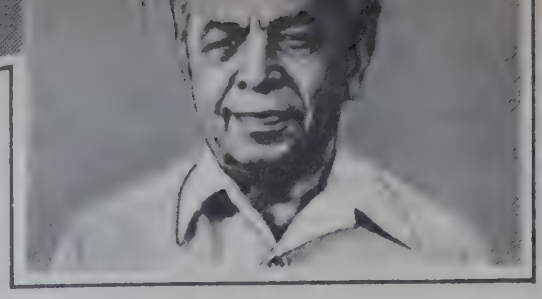
M - S E R I E S

Microprocessor-based UPS systems

For further information, contact:
Inventa Electronics (P) Ltd., 59-A(2/2) Mundhwa, Pune 411 036 Tel: 670340, 671734 Tlx: 145 649 IEPL IN
OR
Vistar Electronics (P) Ltd., Pune 339267 • Bangalore 346363 • Calcutta 204656 • Delhi 5455890 5455894 • Hyderabad 65963 • Lucknow 73564 • Madras 410313

ULKA-13144 R

haring an Experience...



Curbing Consumption of Petroleum Products

AN APPEAL THAT TOUCHED THE HEARTS....

We are the Company that cares and, above all, we care for the national interest to which all our activities are subordinated. In fact, INDIA FIRST is our credo.

The country is faced with a catastrophic situation on the economic front which threatens to endanger our economic freedom. I particularly refer to our foreign debt which has already risen to about US$ 70 billion and continues to rise, bringing down our international credit-worthiness which, not too long ago, was the envy of many developing countries.

We have been incurring large Balance-of-Payment deficits year after year. Unfortunately, however, it is not sufficiently realised that over two-thirds of our current account deficit is accounted for by the import of ***petro****leum and* ***petro****leum products, most of which are merely burnt away* as fuels.

Having regard to our very limited hydrocarbon resources, mindlessly over-exploited, there is no doubt at all that we must curb our consumption of ***all petro****leum products,* not only petrol. *This can be done in a myriad of ways through* **conservation** *and* **substitution-***it is only the faint-hearted, misguided or the unconcerned who say it cannot or should not be done.*

I appeal to you with all sincerity and emphasis at my command to think out, innovate and take every possible step to reduce dependence on the use of hydrocarbons merely as fuels.

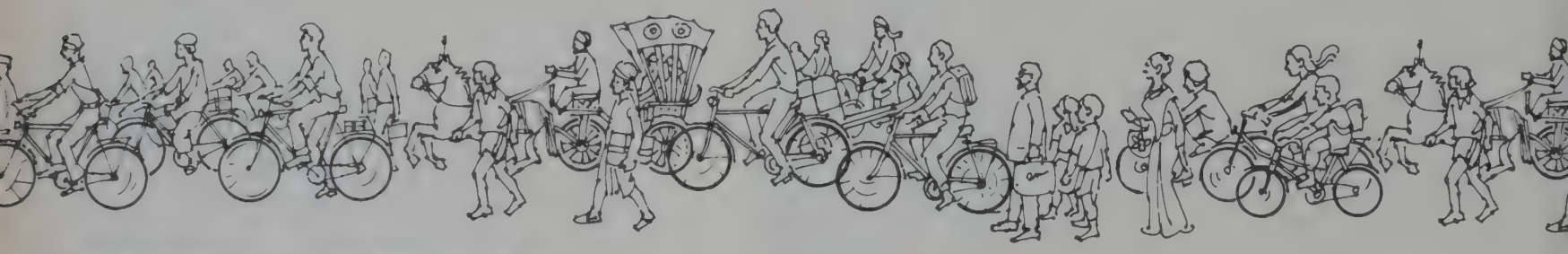
In the first place, I suggest that, except in grave emergencies, must not use any furnace oil for steam generation or diesel oil power generation. We must reduce the consumption of petrol 50% and also reduce the domestic air travel by 50%. We m ensure maximum fuel efficiency of the diesel-driven vehicles wi the Works and use them sparingly and efficiently. We must help community to curtail their requirements of kerosene.

Besides the rupee-cost of whatever you do, produce or sell, also le to measure the ***petro****-cost. You or your Company may be easily to afford the rupee-cost but your country cannot afford the* ***pet*** *cost. Therefore if to you* INDIA *does indeed come* FIRST, t *curbing the cancerous use of* ***pertro****-products must command y* FIRST PRIORITY.

Let **TATACHEM** *show the way and demonstrate how country can convert a* **crisis** *into an* **opportunity.**

26 June 1990

Darbari Seth
Chairman & Managing Director



... AND AN OVERWHELMING RESPONSE

In an immediate response, all cars in Mithapur were virtually "quarantined" and practically every one was entirely ***"on his own"***, that is, either on his feet or on the bicycle, using his own energy for locomotion to the maximum extent possible. ***And the petrol consumption was reduced by about 90%***

At the Company's Head Office in Bombay, five cars were rendered surplus and "quarantined" ***and the petrol consumption was brought down by 65%.***

In a dramatic gesture, Officers of the Company, who were entitled to air travel, opted out - nearly all of them - to travel by train. Over 100,000 KM of air travel was voluntarily foregone and domestic air travel undertaken only on grounds of health or severe time constraints. ***The reduction in domestic air travel is also almost 90%.***

The use of furnace oil for steam generation and diesel oil for power generation were strictly forbidden and subjected to the prior approval of the Chairman himself, ***instantly achiev 100% reduction.***

The Company's diesel-driven vehicles within the Works are being tuned and used sparingly and efficiently. The reduct in the consumption of diesel oil for these vehicles is also lik to be substantial. The Company is also setting up mod facilities to test and improve the fuel efficiency of the outs diesel vehicles which serve the Company.

Every household in Mithapur has been surveyed and pattern of domestic energy consumption established. Effo are now being made to help the community reduce consumption of *petro*-products, particularly kerosene, domestic fuel.

And we have not yet finished... Our goal is to achieve "ze dependence on imported hydrocarbons for use as fuels.

Come, join us in safeguarding the economic freedom of our country by helping to reduce drastically the country's dependence on imported petroleum and all petroleum products, not only petrol. Do it on your own, like we have done it on our own, and find out for yourselves how good it really feels!

TATA CHEMICALS LIMITED

The Company that cares

Released in Public inte

IE R.M. GOCULDAS GROUP

Ready to take off

e three companies of the group having done exceedingly well in recent years, management is gearing up for large scale expansion and diversification ogrammes

e last decade has been quite exciting for 71-year-old Ranchoddas Mathradas culdas. Apart from his race horses win- g some of the major races in the coun-, he also consolidated his business erests — both in India and abroad. His)-acre stud farm near Bhopal and his mbay-based Rs.200 crore industrial pire are run in a manner he knows best by taking risks and betting on the right keys at the right time. He lives in Bom- most of the time, travels to Bhopal ev- Christmas and flies to Dubai once in months.

Goculdas directly controls three com- nies — the 70-year-old Dharamsi Mor- Chemical Company (DMCC), Borax rarji (BM) and Udaipur Phosphates P) floated in 1981. He also has interests ther companies like Albright Morarjee l Pandit, and M.P. Morarji Fertilisers, art from his joint ventures with the Du- government to manufacture sulphuric d and various components for oil elines. But it is his DMCC which is un- ubtedly the flagship of the group; CC, alongwith Udaipur Phosphates, trols one third of the total installed ca- ity of mass selling fertiliser single su- phosphate (SSP) in the country.



R.M. Goculdas: conservative companies

citing year

l the last fiscal year has proved to be most exciting for all the three culdas companies — DMCC's gross fits going up by 121 per cent on a turn- r of Rs.120 crore, and Borax Morarji Udaipur Phosphate too performing l. While BM increased its turnover from .7 crore in 1988-89 to Rs.22 crore last r, UP's sales went up from Rs.14.6 crore an annualised basis for 1988-89) to 20.13 crore last year. But Goculdas is ner modest. "Ours are conservative panies. We don't believe in over-ex- ding ourselves," he says.

ill the late seventies, Goculdas was bet- known as a race horse owner than as an ustrialist. No doubt, his family connec- s were impeccable. A friend of Pratap- and Dhairyasinh Morarji, the two thers who ran DMCC for over forty years, he married into that family, the daughter of the then leading industrialist, the late Dharamsey Khatau. But, though a non executive director of DMCC since 1961, he played no active role in the company till 1978 concentrating on small companies like Kosan Metal Products, Bombay Foods, Bhavna Chemicals, Falcon Chemicals and Cylingas — the last two based in Dubai.

After the deaths of Dhairyasinh in 1970 and Pratapsinh in 1978, in the absence of a male heir in the family, Goculdas took over as chairman of DMCC. But soon, he fell out with the very people who supported him earlier — Dhairyasinh's wife and Pratapsinh's daughter, who, between them, held 22 per cent of the company's equity. In the battle that followed, Goculdas emerged victorious and now controls 27 per cent of DMCC's Rs.6.42 crore equity. The financial institutions have a 25 per cent stake in the company, the public 35 per cent and the rest is with the family of the founders. DMCC brought with it, the profitable Borax Morarji Ltd too in which Goculdas has a 47 per cent shareholding. Udaipur Phosphates, his other large company, however was floated by him in the eighties.

The last decade had been lean years for DMCC, both on account of the legal squabbles as well as adverse market conditions brought about by periodic droughts. But once firmly in control, Goculdas began strengthening the company laying more emphasis on profitability and diversification. And in these efforts, he was helped considerably by DMCC's in-built strength and the near-monopoly market it enjoyed.

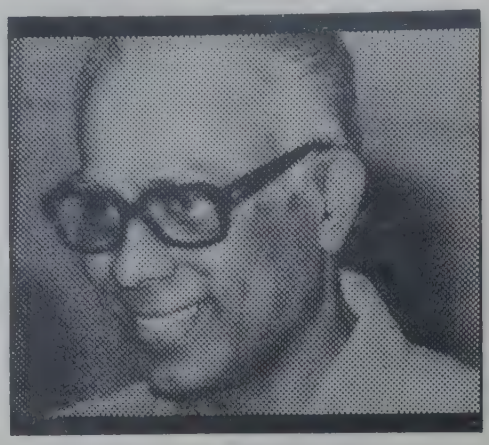
DMCC was the first ever company in India to instal a sulphuric acid plant in the twenties. In 1945, it moved from the an-



DMCC's sulphuric acid plant: the first to be installed in the country

CHAIRMAN'S MESSAGE

LML LIMITED



Excerpts from the Statement of Mr. M.R.B. Punja, Chairman, at the 17th Annual General Meeting of the Shareholders held at Kanpur on September 1, 1990.

Substantial reduction in foreign exchange outgo achieved following completion of indigenisation programme.

Maximum caution being continuously exercised to curtail costs in a cost-push inflationary situation.

Delinking of Fibre Operations approved and under way.

Financial and Organisational Restructuring also approved and under way.

Company all set to enter into Joint Venture with Piaggio of Italy.

With Piaggio's entry, more and more better quality scooters are assured and wider range of vehicles programmed.

Higher targets of production, sales for domestic and export markets planned.

Ladies & Gentlemen,

My heartiest welcome to all of you at the 17th Annual General Meeting of the Company. Since we met last a year ago, many developments have taken place and I wish to inform you about the same

Operations of the Company:

Performance :

The performance of the Company during the year under review as compared to the previous year, showed an increase from 1,47,137 vehicles to 1,54,031 vehicles including CKD packs for the Vespa Car Company. This shows an increase of 5%. If a comparison is made of this for the period April to August 1990, with the same period last year, production has increased from 64,180 to 86,460 scooters & CKD packs registering an increase of 38%. The annual target for vehicles and CKD packs for the current financial year is 2,00,000 units which represents an increase of 30% over the volume of 1,54,031 units achieved last year.

Indigenisation :

Indigenisation programme of your Company has been successfully completed and the Company has the distinction of possibly operating at the lowest level of import content amongst all new units.

Cost of Production :

Industries, by and large, are today facing a situation of cost-push inflation on which maximum caution needs to be exercised. Thus, in the case of your Company, material costs in 1989-90 increased by about 7.5% over the cost of 1988-89 notwithstanding the substantial gains achieved as a result of reduction in the costs due to indigenisation. Continuous efforts are, therefore, being made to curtail costs.

Tax Burden :

Consequent upon the expiry of Sales Tax Exemption on 23.9.89, there has been an increase in indirect tax by approx. Rs. 1,200/- per vehicle. In order not only to protect the company's market share but also to see it growing, it has not been possible to pass on this amount totally to the customers. The additional burden of sales tax in the latter part of the year under review amounted to Rs. 4.5 crores

Financial Restructuring :

The Company's proposal for the Financial and Organisational Restructuring has recently been approved by the All India Financial Institutions and Consortium of Banks. Under the approved package, following major changes would take place :

Delinking of Fibre Operations:

The Fibre Operations of the subsidiary companies viz. LML Fibres Ltd. and Prkati Synthetics Ltd. would be completely delinked from LML Ltd. This would allow unhindered growth for LML and permit it to concentrate in the area of light-motor vehicles, the potential for which in the domestic and export markets is phenomenal. Concurrently, this would also ease the tremendous strain on the liquidity of the Company and reduce both debt and interest burden.

Joint Venture with Piaggio:

Piaggio will shortly enter and join hands in the equity and management of LML. Concurrent with the Indian Promoters, they will have an equity stake of approx. 25.5%. I have every reason to believe that with Piaggio's entry, LML would witness a complete transformation and turn-around, inasmuch as it would be contributing in the areas of global exports, buy-back arrangement of parts, eventual transfer of production lines from Italy to India, and complete professionalisation of the organisation. Several measures would be initiated by the Company to curb costs and to increase production, both for domestic and export demand. As a result of the tie up with Piaggio, the Company is assured of a continuous back-up on the technology front and new designs of vehicles with improved performance of fuel consumption, safety and styling will become the order of the day

Payment of interest on debentures and refund deposits:

The liquidity and profitability of the Company is expected to undergo a substantial improvement upon the effectuation of the restructuring package. This would enable the Company to commence payments of interest on the debentures for the period 1989-90 as also accelerate refund of deposits against pending cancellation requests of customers who have been bearing with us for so long. With all the humility at my command, I express my deep gratitude to the debenture-holders and our customers who have patiently supported us during this period. I must also very humbly acknowledge the understanding shown by all shareholders in not having received any dividend during the last few years. The Management of LML will spare no effort to return the Company to the dividend list as quickly as possible.

Expansion of capacity :

After the entry of Piaggio, LML plans to progressively increase the production capacity of vehicles (including CKD packs) to over 3,00,000 units per annum. This would involve several internal rearrangement of various items of plant and machinery including some equipment which is proposed to be received from Piaggio. I am confident that LML would not only meet its annual targets but would also exceed them every year

Diversification Programme :

The Company will shortly implement the diversification programme for the manufacture of Mopeds and Scooterrets as also 3-Wheelers. The first batch of mopeds is expected to be ready after trial production in the last quarter of the current year and full commercial production is expected to commence from April 1991. Another aspect of this diversification is that Piaggio would purchase not only built up vehicles but also components and parts for consumption in its plants in Italy as well as by its other licencees throughout the world. To part finance this project, the approval for which was concurrently given by the Institutions last month, the Company shall be raising additional resources through increase in the equity share capital.

Exports :

Though the volume of exports of your Company is insignificant, yet it is very heartening to note that LML is the largest exporter of scooters in the country. When compared with the year 1988-89, exports increased from approx. 2,900 vehicles in the year to over 4,700 vehicles in the current year. The target is to touch 9,000 vehicles in the current year which seems to be a feasible target.

Acknowledgements :

I would like to express my deep gratitude and thanks to Financial Institutions and Banks, suppliers, debenture-holders, depositors, customers, shareholders, employees and last but not the least, Piaggio without whose support it would not have been possible for LML to survive. I am confident that LML will reach far greater heights in the not distant future.

As Shareholders of LML, you can be confident of a bright future. A world-class business partner and a revitalised management team, are the right combination for ensuring business prosperity as also implementation of new ideas for growth.

I thank you once again for making it possible to be amongst us this afternoon.

Note : This does not purport to be a record of the proceedings of the Annual General Meeting.

LML LIMITED

Regd. Office : LML Limited C-3, Panki Industrial Estate, Kanpur-208 022

ULKA-D-LML-340-2

t lead process to contact process and alled another plant with a capacity of onnes per day (tpd). Since then, the pany's progress was smooth and, by 4, its plant capacity was 300 tpd. To- it produces 750 tpd of sulphuric acid s three plants at Ambernath and Roha harashtra), and Kumhari (MP). ther unit in Amreli (Gujarat) is ex- ted to go on stream very soon. And it s only 29 per cent of its produce inter- y for producing its Ship brand of SSP. h an installed capacity of 513,000 nes of single super phosphate and ,000 tonnes of sulphuric acid, DMCC is better placed in the market than its petitors. The company's other prod- s include chemicals like chloro- honic acid, oleums, aluminium hate ferric, sulfamic acid, ammonium amate, sodium silicofluoride and rcinol.

oday DMCC's Ambernath plants con- ute Rs.60 crore to its kitty and, while hari puts in Rs.35 crore, Roha puts in 0 crore and its resorcinol facility in oda another Rs.4 crore. On sales of



Goculdas: good performance

20.74 crore last year, DMCC garnered profit of Rs.6.21 crore. And the new in Amreli is expected to achieve a crore sale in its first year of opera- For the year ending March 1990 the pany paid a dividend of 25 per cent to areholders.

er the past five years, DMCC has ged to reduce its dependence on fer- rs. It has diversified and also gone for value-added and import substitution icals. Major expansion, brought t mostly by internal accruals, has the prominent feature of the com- pany during these years. Its project division, which offers turnkey consultancy for installing sulphuric acid plants, has also picked up good business, the latest being a Rs.35 crore order from the Gujarat State Fertiliser Corporation for installing a 1,000 tpd sulphuric acid plant. Its recent tie-up with Tim J. Browder & Company of the US gives it the capability of undertaking larger turnkey projects for installing sulphuric acid plants. Whereas, for almost 20 years fertilisers accounted for 65 per cent, in the next two years, the ratio will be brought down to 50:50, says J.L. Thakkar, the company's managing director.

Additional capacities

And helping this shift will be the new plant in Amreli where, along with SSP, sulphuric acid, oleums and chlorosulphonic acid will also be manufactured. Another plant at Roha, expected to be commissioned by March 1991, will manufacture 100.000 TPA of sulphuric acid. The capacity of the sulphonic acid plant at Roha is also being doubled — these additional capacities will cost the company Rs.25 crore in the next two years. And as Goculdas points out, the thrust from now on will be on exports.

The diversification programme was hastened by two factors, says H.T. Kapadia, DMCC's joint managing director. One was good monsoons after a lean three year period and second, the non-availability of imported phosphoric acid. "We delayed our SSP expansion for two years because of the droughts," says Goculdas. Amreli was chosen as the plant site because DMCC had a big market in the Saurashtra region and transporting the produce from Ambernath would have been an expensive affair since delivery prices are fixed by the government.

Udaipur Phosphates has also not remained behind. The Udaipur-based company, looked after by M.D. Goculdas, R.M's nephew has a 104 per cent plant utilisation, although its installed capacity is just 66,000 tonnes. Its good marketing network has helped the company improve its profits from Rs.58 lakh in 1988-89 (annualised) to Rs.1.24 crore last year. Increased profits of Rs.1.23 crore and an earning per share of Rs.7.51 indicate the company's good health. UP also has some in-built strengths and advantages that others of its genre lack.

UP has benefited substantially because of its location. While most SSP manufacturers have to import the basic raw material — rock phosphate — and pay heavily on transportation, UP gets its supplies from Udaipur itself; from the Rajasthan State Mineral Development Corporation. Also, other companies have to pay exorbitant demurrage if they delay picking up the material from the port. The company also has the advantage of its product being marketed by DMCC in some states un-



Thakkar: AOS market can grow manifold

der its Ship brand, which commands market premium.

Borax Morarji, the third company of the group, manufactures borax and boric acid. The company was floated in the mid-sixties as a joint venture between the Morarjis and the UK-based Borax Consolidated which had a controlling 45 per cent shareholding which was diluted in 1979. BM's installed capacity of borax, the basic raw material for the glass and ceramics industry, is 17,000 TPA and, needless to say, it controls almost 80 per cent of the market. Last year, the company's turnover increased to Rs.22.30 crore from Rs.17.97 crore and profits shot up from Rs.60.7 lakh to Rs.72 lakh. A zero debt to equity ratio and an earning per share of Rs.4.50 has stood the company in good stead.

But the borax market has stagnated worldwide, says S.B. Shukla, the company's managing director. "Although the company has had a monopoly, its capacity utilisation has been a low 9,000 TPA," he adds. One of the main reasons behind this stagnation has been the fact that plastics have replaced glass in almost all spheres of life. The only exception being borosilicate glass used for manufacturing laboratory glass equipment.

Borax Consolidated's equity dilution was prompted by this stagnation. Also, certain change in government policies for import-

In some of the coolest decisions taken we have had a hand.



UTILITY-TRANE
Deluxe Packaged Airconditioning units.

With Utility's access to the most advanced Trane technology, the features of the Utility-Trane packaged units are hard to match.

The factory-wired and tested units are rugged and super quiet. They assure more cooling while consuming less power as the condenser has a separate sub-cooling section. The Trane Hermetic Compressor, the heart of the packaged airconditioner is built to withstand voltage fluctuations of 342 to 456 volts. With modular construction, in split design to suit your space requirements packaged units are available in 5, 7.5, 10 & 15 ton capacities both for water and aircooled applications.

Our technical collaboration with Trane of USA - the World's No. 1 Company in airconditioning equipment gives us that all important edge over our competitors. Our product range of packaged units, reciprocating chillers to centrifugal machines offer a wide capacity range of 5 to 800 tonnes which are engineered to give you the best performance, reliability and the lowest noise levels. What s more, you save a lot on power. That's Trane technology for you.

Today, we are a 1000 strong team devoted to offering you a total package in airconditioning and refrigeration. Right from understanding your cooling needs to executing projects on a turnkey basis. Our network of branches spread across the country with full-fledged design and service centres, assures time-bound installations and prompt after-sales service. This is our strength.

All this has turned clients like SPIC, Mahindra & Mahindra, NTPC, SCOPE, JCT Electronics, Taj and Welcomgroup Hotels, Apollo Hospital, H.A.L., Uptron, Indian Rayon Corporation and ITC Ltd., to us for their most demanding solutions to their cooling problems.

TRANE Utility

A new thrust - a new commitment

UTILITY ENGINEERS (INDIA) LTD.

Regd. Office : 16, Shopping Centre, Panchsheel Park, New Delhi-110017
Phones : 6437484 6437309 6438757 6436716
Grams : HEATBEAT Telex : 031-61390-UEI-IN

BRANCHES: **Bombay :** Hotel Ajanta, Ground Floor, 8 Juhu Tara Road, Bombay-400 049 Tel No : 6124770/6144993; **Calcutta :** 3rd Floor Mineral House, 27 A, Camac Street, Calcutta-700 016. Tel No : 435867/447932; **Ahmedabad :** 5 Mill Officers Colony, Behind La-Gajjar Chambers, Ashram Road, Ahmedabad-380 009. Tel No : 405749/59; **Madras :** No. 42 MC Nichols Road, Chetput, Madras-600 031, Tel No : 862593; **Bangalore :** 129 Railway Parallel Road, Kumara Park West, Bangalore-560020. Tel No : 361045/360580; **Secunderabad :** C-8 Vikram Puri, Secunderabad-530 003. Tel No :848970/843197; and also at **Chandigarh :** Tel: 43442, **Lucknow :** Tel : 73503, **Jaipur :** Tel : 75421, **Baroda :** Tel : 324737.

graphisads/1429

colemanite, the raw material for bo-
, hastened the decision. Till the mid-
enties, Borax Consolidated directly
ported the raw material from the mines
wned in Turkey and other places. But
en the government canalised these
ough STC, the UK collaborator lost in-
est. Today, the situation on the borax
nt is rather dismal, says Shukla. Import
olemanite involves an 85 per cent duty
vell as another seven per cent to STC as
nmissions, leading to escalation in
es. While a tonne of boric acid sells for
22,000 in India, it is available for
12,000 internationally. Similarly, bo-
which is available for Rs.4,000 per
ne internationally sells for Rs.12,000 in
country.

Madras-based company, Southern
ax — a joint venture between the
il Nadu government and the Chettiar
up of industries set up in 1978 — had
red some competition in the beginning
as Shukla says, "in the industry the
s were going up and tonnage was not
easing". The small sector too became
ve and Southern Borax lost out.

M realised that it had to get its act to-
er to increase profit. "Either we had
xpand the market which was not pos-
e or put our operations in order," says
kla. "We therefore decided to produce
e, import raw material in bulk and
tify some hi-tech areas for diversifica-
to improve profits." The decision
n, BM started exploring new areas
re borax and boric acid could be used.
nen, boron was identified as a micro-
ient required in areas cultivating
cotton and groundnut. So, when
C started producing boronated SSP,



Rock phosphate: local supplies

BM was able to meet the "big brother's requirements."

In 1985 the government had decided not to include boronated SSP in schedule 1 of the Fertiliser Control Order which led to a halt on subsidy payment by the Fertiliser Industry Coordination Committee. But, in May this year, the government decided to bring it back under FCO to the relief of DMCC, the only manufacturer of this fertiliser, and BM, which supplies the ingredient.

Expansion and diversification

At present, all the three companies under the Goculdas group are involved in major diversification and expansion programmes. According to Thakkar, DMCC is getting active in detergents, and has recently set up a manufacturing facility for alfaolefin sulphonate (AOS), (which commands 145 per cent import duty) at a cost of Rs.7.5 crore. The plant has been bought from a US company. AOS, which is used in the making of laundry soap, is manufactured in the country by Godrej too. According to Thakkar, the AOS market can grow if the duty structure is rationalised. "The present 15,000 tonnes per year requirement can easily go up to 100,000 tonnes," he feels.

DMCC is also sitting on licences for ediphenphos, a fungicide which only Bayer manufactures in India at present and another for 3,000 tpa of acetyl sulphanilyl chloride (ASC), an import substitution item, used in the pharmaceutical industry. "We will promote the project as soon as possible," says Goculdas. UP also has licences for manufacture of chloro-sulphonic acid and vinyl sulphones, which it plans to start in the next two years.

BM's projects are equally interesting. According to Shukla, the company has developed flame resistant zinc boronate (not manufactured in India) which can be used for sheathing cables to reduce chances of catching fire. Also worth mentioning is its new project at Kanyakumari for manufacturing chemically treated rubber wood injected with their boron formulation. Boron has the ability to control fungus and is also an effective timber preservative. "It's futuristic", says Shukla.

The project gains importance because rubber trees, 1 to 1.2 million of which are felled each year, attract fungus faster than any other trees due to their high protein contents. This project, set up in collaboration with Danish Wood Treating Company of Holland, at a cost of Rs.3.5 crore, will treat the wood and saw it in various sizes for export. Rubber wood is extremely popular abroad for use in furniture and provides for high value-addition. Initially, BM will be cutting and treating 423,000 cubic feet of wood, which means about 60,000 trees a year, according to Shukla. "There is tremendous scope to earn foreign exchange in this project," he says.

The future of the group rests on such projects. With his tenacity and business acumen, Goculdas can guide his companies towards better profitability. Till now he has not been on the centre-stage of industry and had preferred a low profile in spite of his frequent appearances on various turfs across the country. Now comes an opportunity for him to make it really big in the corporate world. And he is not likely to let it go.

■ RAHUL SHARMA



0-year-old flagship: DMCC controls a big chunk of India's SSP fertiliser capacity

ARVIND MILLS

A new acquisition

The company's recent acquisition of Nagri Mills will expand its denim manufacturing capacity

The Gujarat government's plans to revive the dozen sick textile mills in the state seems to be finally taking shape. Last month the Rs.300 crore Arvind Lalbhai group quietly signed-up to buyover the entire shareholding of the 75-year-old Nagri Mills Ltd in Ahmedabad city, which has been lying closed since March 1988. The group is also negotiating to take over a smaller spinning mill, Gujarat Spinning, which has not been working for the last six years. Says H.K. Khan, chief secretary, Gujarat State, "Arvind Mills' proven track record in the textiles as well as the dynamism of its managing director, Sanjay Lalbhai, was an important criterion in the decision to handover the mill to them."

No doubt the state government's keenness to revive the mills has assured a reasonable deal for Arvind. It will take over the shareholding of the Nagri Mills' present family management for a token Re.1. But with it also came a liability of Rs.7.5 crore, mainly in the form of workers' back dues, retrenchment compensation and bank liabilities. But considering that a large part of the dues is going to be settled over a period of ten years, the present value of the liability according to Sanjay Lalbhai will work out to about Rs.4 crore.

Liberal terms

The package provides for the existing Rs.2.5 crore liability of the State Bank of India (SBI) and the Industrial Reconstruction Bank of India (IRBI) to be turned into a frozen account, with a moratorium of two years and repayment spread over eight years subsequently. Interest for the closure period has been reduced to six per cent simple interest per annum. Interest for the period between 1 January, 1987 to 17 March, 1988 when the mill was doing badly has also been reduced to 10 per cent simple interest per annum. SBI and IRBI are also extending further loans for restarting, repayment of workers' dues and fresh working capital requirements on liberal terms.

The crucial part of the deal, however, is the agreement reached between Arvind Mills and the Textile Labour Association (TLA) of Gujarat. As a part of this, Arvind Mills will reemploy only 560 workers out of the total original work force of 1,465 employees of Nagri Mills in a phased manner. The workers will not be entitled to any back wages for the closure period. However, they will be given an ex-gratia payment under the Central government's 'Textile Workers Rehabilitation Fund Scheme' for the shutdown span. On reopening of the mill, the workers will be paid dues of Rs.1.95 crore, which include unpaid wages, bonus, and retrenchment compensation calculated at ten days wages per year of completed services — five days less than the legally accepted norm. But says Sanjay Lalbhai, "The benefits that we will receive are nothing extraordinary. All ailing textile units in the state, aiming at rehabilitation are eligible for it."

Lalbhai is very clear about what he wants to do with Nagri. "We want to turn it into a highly modernised mill manufacturing denim that will cater to the export market," he says. But that would involve quite a bit of investment. By the time the recession in the textile industry swamped it, Nagri's turnover had been reduced to Rs.25 crore. But it still has about 19,000 spindles in excellent condition which the new management plans to get into tion immediately. Another 7,000 modernised and 11,000 more adde cost of Rs.7 crore in the next 18 mo



Lalbhai: very clear about what to do with Nagri Mills

Outdated facilities scrapped

But the major changes will come ab the weaving and processing depar of the mill. The existing but outdate ities will be scrapped and the new o up at a cost of Rs.40 crore in the ne year. The new look Nagri Mills, whe comes fully operational by Dec 1991, will produce 20,000 metres of fabric a day. Besides, upgrading th duction facilities, Lalbhai plans to nalise its management style to administrative functions will be mated, right up to the installation fee and tea vending machines. Al the mill's clerical staff of 66 has scaled down to 12. "These peopl plains P.R. Roy, chief executive at t vind Mills Ltd, "will be trained to themselves to multidisciplinary ad trative activities. Their managerial will also be upgraded as a consequ

The Nagri Mills deal will help the group consolidate its position as th est denim manufacturer in the co Arvind Mills already controls about cent of the Rs.60 crore denim ma the country with its production of metres a day. By November this yea would be increased to 60,000 metre In a market which is growing at a rat per cent a day, this expansion alo the Nagri Mills acquisition will f strengthen its hold on the market a help its ongoing export drive. As a exports of Rs.22 crore last year the for this year is in the region of Rs.40

The Arvind Lalbhai faction Ahmedabad based Lalbhai group c successful textile mills like Sa Mills, Raipur Manufacturing Comp sides Arvind Mills. And the Nagr takeover is part of Arvind Lalbhai's tious plan to diversify and expa group's interest. In the pipeline are: crore wholly export-oriented vide sette manufacturing facility to be s collaboration with JVC of Japan; quisition of the 19,000 spindles c Gujarat Spinning Mills; and expan the group's airconditioning manu ing company Amtrex in collabo with Hitachi of Japan as also taking lic later this year. "There is a lot happening in the Arvind Mills grou now," Sanjay Lalbhai says.

■ NEERA

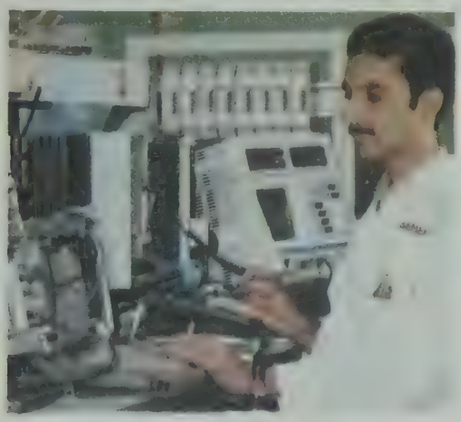
SIEMENS



Measured Steps

At Siemens, quality is an intangible made tangible. Something that can be exactly and precisely measured.

A well-defined logistics chain makes up the Siemens quality system. One link depends on the other: application-oriented development upon practice-oriented research; fault-free products upon gruelling load and endurance tests; prompt, efficient service upon complete and accurate maintenance schedules. Quality is part of every function, every procedure. In other words, quality is planned, designed, tested, built, verified, installed and serviced.



Not just product excellence, but the quality of every function and procedure, that's 'Siemens Quality'

Whatever the area of application–control and automation systems, railway signalling equipment, medical electronics, switchgear, switchboards, drives and motors, turnkey projects, new dimensions in telecommunications–Siemens brings its concept of quality to bear on every product, system or project.

By so precisely defining the indefinable, Siemens makes the highest level of quality attainable, not by chance but consistently, time after time.

Siemens Ltd.,
P.O. Box 6597, Bombay 400 018.

Siemens.
Where international technology meets human needs.

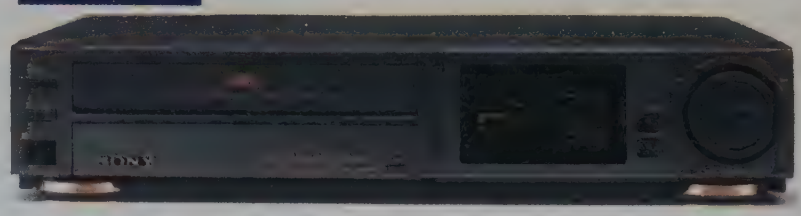
VHS

Sony VHS

So many to choose from. So much to enjoy

There's so much enjoyment to choose from with Sony's full line-up of VHS video cassette recorders. For example, take the SLV-X30. With the **"Dual Mode Shuttle" Ring** to replace a host of function buttons, for the ultimate in convenient operation. There's even an **Auto Head Cleaner** to clean the video heads every time you load or eject a cassette. Add the **Super Access Mechanism** with **High Speed Rewind, Digital Auto Tracking** and **Auto Menus**, and you have an unbeatable combination of multiple functions and easy operation. And that's just one member of the Sony VHS line-up. For quality and convenience, there's really only one name in video. Sony.

X30 **Wide range of features and easy operation**



SLV-X30 •"Dual Mode Shuttle" Ring •Auto Head Cleaner •Turbo Picture to improve inferior picture quality •S
Access Mechanism and High Speed Rewind •Unified Remote Commanc
•Still/Slow motion •Digital Auto Tracking •Auto Menu •Auto voltage •H

SONY SERVICE NETWORK IN INDIA

SONY SERVICE REPRESENTATIVE IN INDIA
OLYMPIA SERVICE CENTRE
HEAD OFFICE: 808-9, MEGHDOOT, 94 NEHRU PLACE, NEW DELHI-110 019 TEL: 641-6344, 641-6296

AUTHORIZED SERVICE CENTRES
NEW DELHI: OLYMPIA SERVICE CENTRE
55-A, SIDHARTH CHAMBERS, (NEXT TO AZAD APARTMENT), HAUZ KHAS, NEW DELHI-110 016
TEL: 686-4947

BOMBAY: OLYMPIA SERVICE CENTRE
ARUN CHAMBERS, GROUND FLOOR S 22/23, TARDEO ROAD, BOMBAY-400 034 TEL: 4940629

CALCUTTA: OLYMPIA SERVICE CENTRE
6-C MIDDLETON STREET, CALCUTTA-700 071
TEL: 296601, 297545

MADRAS: STEREO VISION
846-A, MOUNT ROAD (NEXT TO INDIA SILK HOUSE), MADRAS-600 002 TEL: 835444, 835489

BANGALORE: TELEVIDEO SERVICES
108, E & F, SHAHAZAD BUILDINGS, J.C.ROA
BANGALORE-560 002 TEL: 220164

HYDERABAD: MABOOD ELECTRONICS
5-8-602 SHOP NO. 8, MUBARAK BAZAR, AB
ROAD, HYDERABAD-500 029 TEL: 233131

COCHIN: BIONIX
WARRIER BUILDING, M.G.ROAD,
ERNAKULAM, COCHIN-682 016 TEL: 369422

SONY®



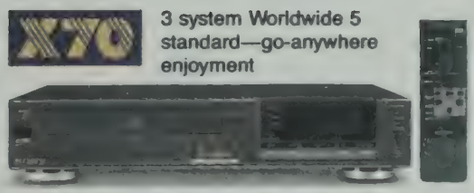
VHS

Worldwide compatibility with the Super Multi System



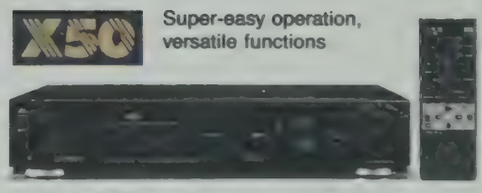
LV-X90 ●Super Multi System: PAL (B/G, D/K, I), MESECAM (B/G, D/K), NTSC , 3.58 ●DA Pro 4 head ●Clean still/slow ●Super ess Mechanism ●Unified Remote Commander gital Auto Tracking ●VISS ●Auto voltage ●HQ

3 system Worldwide 5 standard—go-anywhere enjoyment



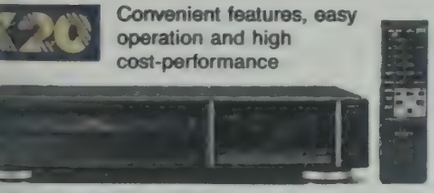
SLV-X70 ●3 system Worldwide 5 standard system: PAL (B/G, D/K, I) ●MESECAM (B/G, D/K), NTSC 4.43 ●Super Access Mechanism ●Unified Remote Commander ●Digital Auto Tracking ●Auto voltage ●HQ

Super-easy operation, versatile functions



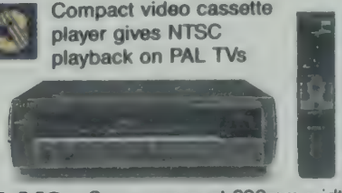
SLV-X50 ●"Dual Mode Shuttle" Ring ●Auto Head Cleaner ●DA Pro 4 head ●Clean still/slow ●Super Access Mechanism ●Digital Auto Tracking ●Unified Remote Commander ●Front panel line in terminals ●Auto voltage ●HQ

Convenient features, easy operation and high cost-performance



LV-X20 ●Super Access Mechanism and High Speed Rewind ●Unified ote Commander ●Still/Frame advance ●Blank rch ●Remote timer programming ●Auto voltage Q

Compact video cassette player gives NTSC playback on PAL TVs



SLV-X3 ●Super-compact 290mm width ●Super Access Mechanism ●NTSC playback on PAL TVs ●Unified Remote Commander ●Still/Frame advance ●Repeat

High cost-performance compact video cassette player



SLV-X1 ●Super-compact 290mm width ●Super Access Mechanism ●Unified Remote Commander ●Still/Frame advance ●Repeat



INSPIRED BY NATURE PERFECTED BY US



25 YEARS

Comfort

Support

Elegance

KURL-ON Mattresses re-create the beauty and harmony of nature in a new range of tapestries, designed for timeless elegance.

Pure natural coir, generously sprayed with superior latex combine for perfect support and comfort.

And the quality of materials and workmanship make KURL-ON India's largest selling mattress.

Kurl-on®

India's largest selling mattress.

MASS/KCPL/90

Karnataka Consumer Products Ltd., Marketing Division: Industry House, 45, Fair Field Road, Bangalore-1 Ph 260769, 262710

Offices & Showrooms: Phone Nos.. Bangalore 266746, 233212; Hubli: 73086 (PP); Mangalore 23209; Cochin 366744; Cannanore 78861, Madras 831710, Coimb 26921, Hyderabad 66561, 234560; Visakhapatnam, 65448; Tirupathi 22235; Bombay 5113220; Nagpur 532939, Goa 23158, Bhubaneswar 407740, New Delhi 772019, Kanpur 247211; Bhopal 67874; Calcutta 282089; Patna 57911; (C & F) Guwahati 26358, 31702; Alwar 20664; (C & F) Chandigarh: 29203 44424

AMA PETROCHEMICALS

Ripe for a takeover?

e high profitability and performance of this two-year-old company has, cording to sources, led Bombay Dyeing to consider taking it over

Bombay Dyeing eyeing the small Bom-y-based company controlled by the low ofile Ramasinghanis? There is at least a ong rumour about the possibility in rporate circles. While Bombay Dyeing icials would neither confirm nor deny e rumour, Rama Petro's Rs.10 share has preciated to Rs.60 in the last month.

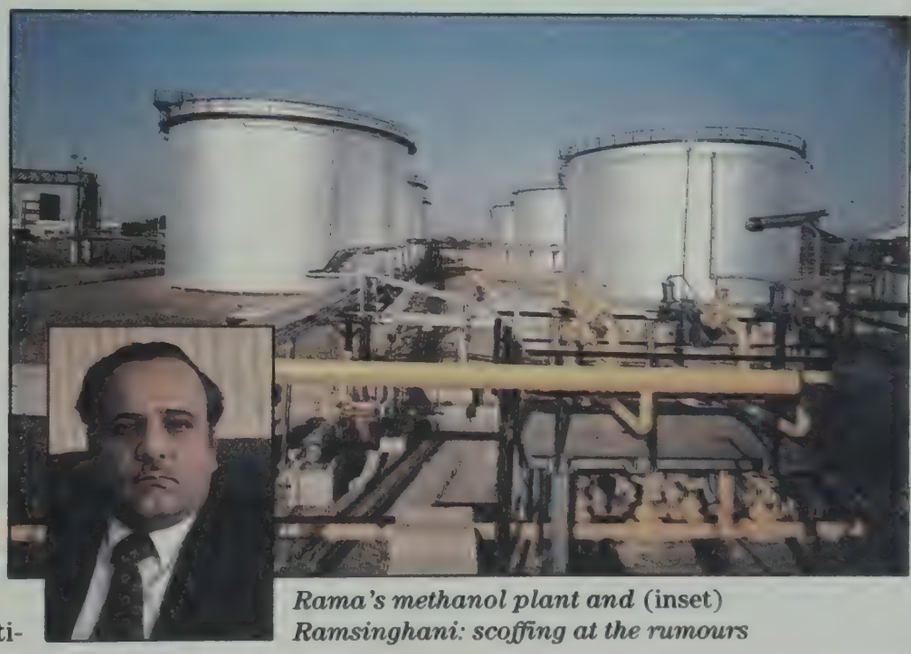
The acquisition would make sense for mbay Dyeing. Rama Petro is the largest nufacturer of methanol, a raw material ed in the manufacture of DMT, formal-nyde and dyestuffs. And Bombay Dye- is one of the largest manufacturers of IT and is planning major expansion in e near future.

Till a few years ago the Ramsinghani others — Laxman, Ashok d Daulat — owned trans-rt companies that car-d two-thirds of the ntry's methanol. Last r, Rama Petro produced re methanol (55,700 nes) than RCF, GNFC d Assam Petrochemicals, ose products the Ram-ghanis once trans-rted. Rama's plant at alganga (Maharashtra) o achieved 111 per cent acity utilisation last r.

The two-year-old Rama ro (sales: Rs.43 crore) is flagship of the Rs.200-re Rama group. After parti-n, the Ramsinghanis contin- with the trading and transport iness for 30 years and made their de- in industry only in 1980, when they ght a sick fertiliser company in Pune. ter this plant we set up a few other ll manufacturing units, but Rama Pe- is our first large venture," recalls ok Ramsinghani, managing director of na Petro, which went public in 1987.

he 50,000-tonne per annum naphtha-ed methanol plant was set up at a low 35 crore as the company imported a ond-hand plant from Austria and re-ped it. The project went on stream in il 1988 and in its first year (1988-89: 13 months) Rama Petro operated at more than 100 per cent capacity, made a net profit of Rs.3.02 crore on a turnover of Rs.42.7 crore, and declared a 15 per cent dividend. Next year (1989-90) was even better, the company made a net profit of Rs.5.06 crore on a turnover of Rs.43 crore. On an equity capital of Rs.9.69 crore the earning per share (EPS) was Rs.5.22.

Low equity and highly profitable operations (net profit margin was 11 per cent last year) has also made Rama Petro a possible takeover target. Ramsinghani knows this and warns, "Anyone trying to take over my company will find it almost impossible." This confidence comes from his family's 51 per cent holding in the company (before his recent purchases from the market). About 10 per cent is held by the financial institutions and the rest by the public.



Rama's methanol plant and (inset) *Ramsinghani: scoffing at the rumours*

FIs' support

If there is a hostile takeover bid, the financial institutions are likely to support the Ramsinghanis. M.V. Shah, general manager, ICICI, the lead institution for Rama Petro, says, "We are very happy with the present management."

Behind the takeover rumour is Bombay Dyeing's relationship with the smaller company. The DMT giant's plant, next door to Rama's, consumes 27,000 tonnes of methanol (mostly from Rama) to make 60,000 tonnes of DMT. Since Bombay Dyeing is planning to raise its DMT capacity to 100,000 tonnes its methanol consumption will go up to 45,000 tonnes which can be supplied from Rama's plant alone.

Ramsinghani denies the rumour. "Why should I sell my golden goose?" he asks. But a senior official in Bombay Dyeing neither admits nor denies the rumour. "At any point of time we look at a number of companies; Rama Petro may be one of them," he says.

Whether Rama Petro changes hands or not, methanol will continue to be a profitable business. About 20 per cent of the country's requirement of 220,000 tonnes is still imported, and the Gulf crisis has pushed prices up. "We have stopped giving discounts from this month," says K.F. Jagdish, marketing manager. The company expects a 8 to 10 per cent increase in net realisation this year and according to G. Krishnan, finance manager, this alone may raise the company's EPS this year by Rs.2 to 3.

There is, however, a possibility of a methanol glut. GNFC is expanding its capacity from 20,000 to 100,000 tonnes and Deepak Fertilisers is setting up a new 100,000-tonne plant at Taloja in Maharashtra. Both plants are scheduled to go on stream by mid-1991 of next year.

Rama Petro may then feel the pinch more than the others: it uses naphtha as feedstock, while both GNFC and Deepak will use the much cheaper natural gas. Rama's raw material cost will be around 55 per cent higher.

But the Ramsinghanis are taking no chances. They plan to set up a formaldehyde (main raw material for plasticisers) plant at its existing site for Rs.8 crore which will consume about a fifth of Rama Petro's production.

If the government finally approves the mixing of methanol with petrol and high speed diesel, it will boost the industry tremendously. "Methanol demand will rise to nearly two million tonnes or ten times the present level," says Ramsinghani, and continues. "We will go in for another 100,000-tonne methanol plant now." ■

DILIP MAITRA

ACC

Give us your conce

The Research and Consultancy Directorate (RCD), a division

Associated Cement Companies Limited, is a unique organization. I

provides engineering and technical consultancy services that cover

entire gamut of activities from project conceptualization, siting,

construction, commissioning and management – all under a single

RCD offers expertise in inter-related fields. These include Geo

Mining, Environment, Process Engineering and Productivity, Refra

Engineering and Applications, Research and Development, Techni

and Management Training.

nd see it become a reality.

This expertise has been used in India and Abroad by competitors of

arent company and firms in industries other than cement.

We have set up new plants and improved others, developed novel

esses and products which have been acclaimed internationally as

of-the-art technological advances. And much more.

We have a lot to offer you. If you're planning to modify or extend

d plant. Or get more from what you have. Or starting a new

ıre. Or even just thinking of one – an idea, a concept that you think

n help make a reality, contact us.



RCD

Research and Consultancy Directorate
(A division of The Associated Cement Companies Limited)

Born a leader – always ahead!

ARB/RCD/O3

nd Consultancy Directorate, CRS Complex, L.B. Shastri Marg, Thane 400 604, Maharashtra. Tel: 593631, 593634. Cable: ACCRESERCH Telex: 11-72190 CRS IN Fax: (022)-508962

The Smart People's Computers

When you expect to use your computer for many years, day in and day out, what you look for is Performance, Quality and Service. Over the years you realise these are so much more important than the price you paid for your computers. High Performance translates as shorter response times, which means you have more of your valuable time for other important activities. This represents a lot of money over the years. Good Quality translates as fewer problems or breakdowns, and Good Service ensures that when problems or breakdowns do occur, their effects are kept to a minimum. This also represents a lot of money saved over the years.

Smart People know and appreciate the value of Performance, Quality and Service, and know that it represents much more money than a few percents "saved" on the purchase price of a computer.

Aurelec is in its 11th year of selling Smart Computers to Smart People.

Aurelec: Quietly building the best.

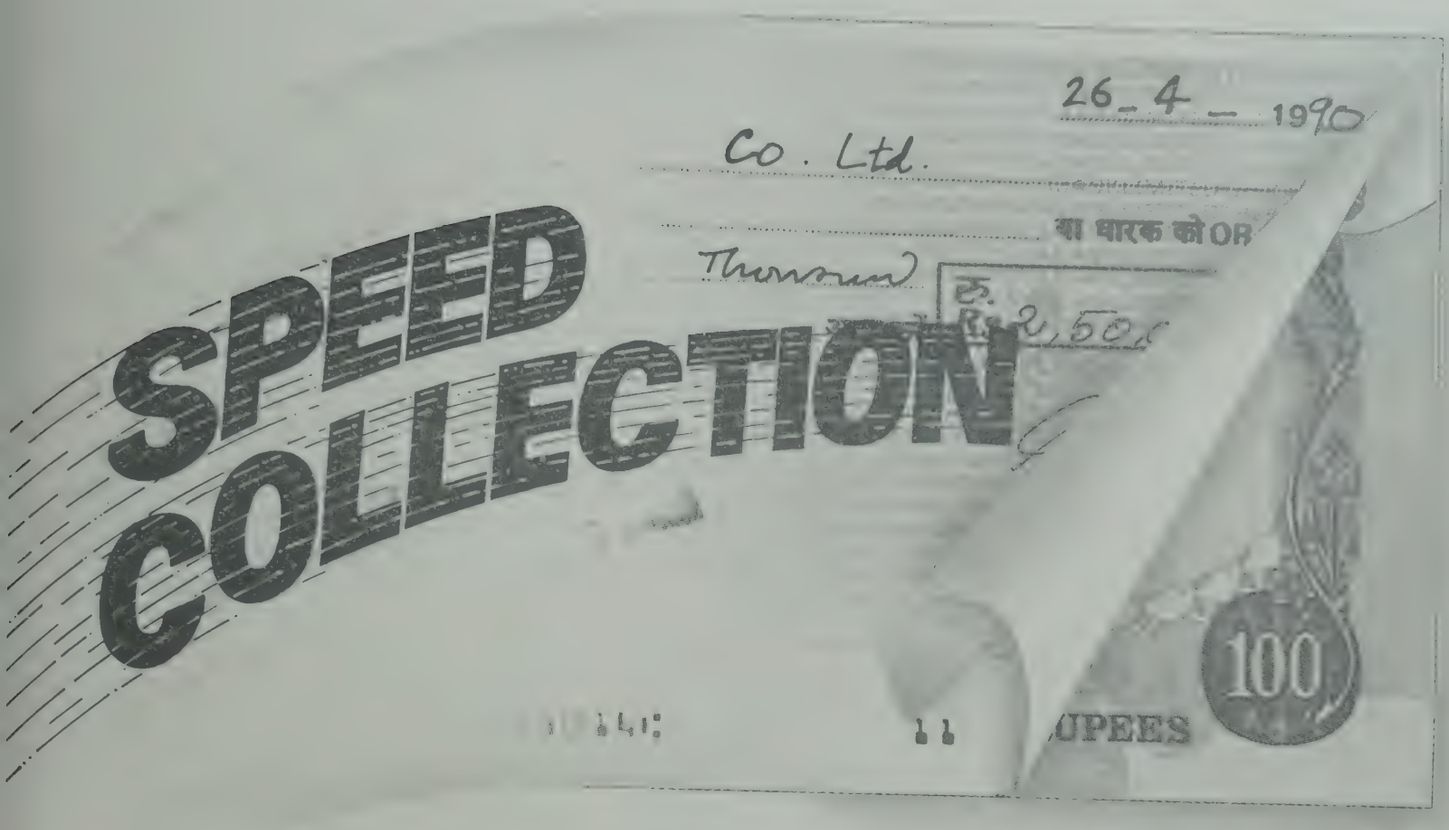


aurelec
data processing systems

Archana Centre, 29 Mount Road
MADRAS - 600 015
Tel: 418051, Telex: 041-21008 ADPS IN
Fax: 413-23467

AURELEC DATA PROCESSING SYSTEMS, AUROVILLE (0413) 25855 • **BANGALORE**: 216198 • **CALICUT**: 74936 • **COCHIN**: 361960 • **COIMBATORE**: 22085 • **MADRAS**: 418 **MADURAI**: 37858 • **NEW DELHI** • **PONDICHERRY**: 24853 • **TRICHY**: 41268 • **TRIVANDRUM** Telex: 0435 428 ADPS IN • **DEALERS**: ASSOCIATED SOFTWARE CONSULTANT INFORMATION INSTITUTE, **BHILAI NAGAR** Telex: 771 226 RCA IN • CHIPS & BITS, **CALICUT**: 60936 • INFONET SERVICES, **COIMBATORE**: 47565 • COMPUTERLAND, **NEW D** 673033 • CDLT COMPUTER CENTRE (P) LTD., **MADRAS**: 472809 • INTELLISOFT, **MADRAS**: 861791 • MICROHOUSE COMPUTER SYSTEMS, **MADRAS**: 846441 • PC INDIA, **MAD** 810702 • MICROLAND ELECTRONICS Pvt. Ltd., **MADRAS**: 865186 • PANVANI TRADING COMPANY, **PONDICHERRY**: 26514 • S.G. JAYARAJ NADAR & SON, **TIRUNELVELI**

KVB offers the business community



The fast, fast way to realise your cheques and save on interest.

How often have your high-value cheques been held up for realisation? And lost valuable interest in the process? Not to speak of cash constraints faced by you.

This won't happen if you come to KVB. At KVB, matters move at a faster pace!

Your cheques get realised in a matter of days! You get your money and save interest on your overdrafts. And you won't have the problem of a cash crunch!

Come to KVB. For interest saved is interest earned.

THE KARUR VYSYA BANK LIMITED
KARUR 639 002

KVB... 75 years of fulfilling dreams.

B Baskaran
Chairman

Anugrah 454/90 R

The new face of component supplier



ARUN MAIRA

Purchasing policies of automobile producers and other large original equipment manufacturers (OEMs) are changing. At the same time, three large trading areas are emerging — Europe including Eastern Europe, North America and Japan with East and South Asia. These developments compel component suppliers to large international firms, especially those in South America and India, to re-examine their positions.

Over the past five years, there has been a major change in the purchasing policies of automobile and other large engineering companies in North America. They now follow the practices of Japanese companies to successfully lower their costs, and improve quality and responsiveness to market demands. European firms have so far been slower in adopting these policies, but the changes are already visible and should be more so, once competition from Japan increases.

Main issues

Price remains a principal consideration in the purchasing decisions of US automakers. However, over the past few years, other considerations have assumed importance: quality, "just-in-time" (JIT) deliveries and participation by vendors in product design and testing. These have impacted the companies' purchasing policies with respect to the number and type of vendors, their proximity and long-term commitment.

In recent years, the major US automobile producers have halved the number of vendors — Ford cut back from 4,000 to 2,000 in five years, General Motors from 12,000 to 6,000 since 1986 and Chrysler from 3,500 to 2,000 since 1987. Chrysler has a "key supplier base" of only 300 vendors, which too was pruned from 340 in 18 months. Quality is the major criterion used in this reduction exercise. All the US companies have some system for rating the quality capability of their vendors based on a comprehensive evaluation of the vendor's organisation, manufacturing processes, equipment and workforce skills.

Inventory reduction is a major factor in the operations' improvement programmes of all companies. Vendors must have the capability of conforming to precise schedules. Their own production management systems have to be altered to become more flexible and responsive. Suitable transport and warehousing facilities have to be arranged also. These JIT systems are causing suppliers to cluster around the OEMs' plants.

Until the mid-eighties, US companies looked for potential vendors in all parts of the world, the overriding concern being low production costs. Developing countries with low labour costs and some industrial infrastructure were considered viable sources, regardless of their distance f the US — Korea, Taiwan, Thailand, Brazil. On other hand, when the yen appreciated, Japanese looked for vendors mainly close by

The need to minimise total cost — part pro tion cost plus cost of transport and inventor appears to be resulting in some distinct al ments between the principal automobile pro ing countries and adjacent, lower wage countries. This trend is reinforced by the driv some cases to share engineering tasks with vendor. Many suppliers to US companies ar Canada and Mexico. Most offshore supplier Japanese companies are in East and South- Asia. West European OEMs have sourced com nents in Spain and are looking at Eastern Eur

The surprisingly swift opening of East Europe has redefined the scope of trading bl There are many views about the kind of op tunity this provides OEMs in Western Europe US and Japan. Two things are clear. First, Eastern Europe provides another source of cost and skilled labour with a potential ma for automobiles and other products. Second, West European firms will gain the most from t

Third agglomeration

Another trading bloc is coalescing in North Am ica. Recently Canada and the US have conclud trade pact bringing them even closer than bef Now Mexico is moving to open its trade with US. The third agglomeration is in the E Though a formal trading bloc has not emerged, Japan dominates the growing mar of Indonesia, Thailand and other ASEAN co tries where it also produces increasing volu

These changes have two important impl tions for component producers in all develo countries. The first is that those outside the t emerging blocs may have to find new relat ships. Brazil and Argentina, which are now of importance to West European firms with op tunities in Eastern Europe, have already vo the thought of a larger American trading bloc. second implication is that those who do not h the ability to provide engineering support to OEMs may be relegated to the position of low- component sources for the fewer, larger and m competent first-tier suppliers to the OE Indian and South American companies will h to swim against these currents to ren suppliers to OEMs in North America, Europe Japan. They will have to provide their custom with exceptional value — responsive and in pensive engineering support or very low price apart from quality and reliability which are b line requirements.

The author was till recently executive director of Telco. He is now a senior consultant with Arthur D. Little Inc, Cambridge, Mass, USA

RTHUR ANDERSEN

Ties and stiff collars?

ght years ago, when Arthur Andersen rst opened an office in India, people ought the firm was made up of a bunch staid, tie and stiff collar chartered ac- untants. Okay, the staff do wear tie even w and there is the occasional starched llar too, but "staidness in outlook is mething you can't attribute to Arthur dersen today," says the finance director a large company.

The founder of this US-based operation a single worldwide partnership firm th 243 offices in 54 countries — was nsidered quite a maverick in his ap- oach to accountancy. Arthur Andersen e established the firm in 1913) insisted t all staff members supplement their hnical skills with basic business knowl- ge, that they dig deep to get the "facts ind the figures". This eventually gave th to the concept of the business-ori- ed audit. "And that concept," says Vijay ahni, country managing partner (au-), "still holds good".

dictable start

Indian operations had a predictable rt with a tax division — but in the niche nternational tax, which has for long n the firm's bias. Foreign companies, ecially those in shipping and oil dril- , were tapped. Between 1983 and 1986, dersen did work for several oil com- ies operating outside the 12-kilometre ndary from the Indian coast but cater- to Indian companies. Spie Capag, ch was working on the HBJ pipeline ject, was also an early client. Multina- al clients in other countries also rec- mended the firm's name to their Indian nterparts, Hindustan Lever being one mple of the latter. Soon, the firm ad- an audit division.

oint ventures was the natural market Andersen to tap next. "We provide for- companies with information that ges from the viability of a project to its cution, of course within the con- ints of local laws and government pol- s," says Ashok Wadhwa, country ner (tax). Today, the firm actively ad- s multinationals involved in setting up t ventures in India.

anagement service consultancy was oduced in India two years ago. At the l office level, the consulting unit rldwide) had been imbued with the nt company's conservative culture, essentially growing up as an extension of Andersen's core accounting business. But since being renamed Arthur Andersen Consulting and granted a separate reporting structure in October 1988, the systems integration of the firm has burst out of its constricting shell.

For the year ended 31 August 1989, Andersen Consulting reported a revenue of $ 1.44 billion, a 30 per cent increase over the previous year. This accounted for more than 42 per cent of the total revenue of $ 3.38 billion that Arthur Andersen earned in 1988-89. "In India too, Andersen Consulting is growing very fast," says Srinath Mukherjee of the consulting unit, though again no figures were made available to substantiate the claim.

countries it works in also gives it a tremendous advantage over other firms. While each local office is still governed by the laws of the country it operates in, its access to information from all parts of the globe helps in reducing a lot of the preparatory ground work.

Says Ghulam Mohammed, general manager, Mahindra & Mahindra, which has been using Andersen's services for the last six to eight months, "They involve the client at every level. They have made suggestions for materials management that have improved productivity by almost 20 per cent." M&M has now decided to employ them in all its plants to improve efficiency in operations.

Pfizer India, planning to streamline its internal information system, found just the answer in Arthur Andersen. Says its managing director, Joe Jensen, "In our company, with the existing control on



Khanna: emphasis on training

However, the list of clients makes impressive reading: Mahindra & Mahindra, Hindustan Lever, Pfizer, Essar Shipping, Citibank, Barclays Bank and American President Lines, among several others.

What appears to distinguish Andersen from the other firms of a similar nature is the comprehensive training it emphasises for all its personnel, at its own training schools in the US and Europe. Says Sid Khanna, country partner heading the consultancy division, "Out here, we have a policy of 'up or out'. We are a complete meritocracy-based organisation. And the emphasis is on training at all levels."

The firm's access to date from the 54

drug prices, material management and prevention of wastage assumes paramount importance. Their advice helped us reduce inventories at our Thane plant. The effect on the bottomline should be evident by next year."

As more and more companies realise the need for improving their efficiency, the scope for management consultancy will increase. "There is room for all consultants in this country", says Ravi Ruia, managing director of Essar Shipping, which has also employed Arthur Andersen from time to time. And the company is clearly poised to make the best of the opportunity. ■

SHEKHAR GHOSH

What MNCs really see

How do multinational companies look at India? In the conventional Indian debate on the role of MNCs, there are certain assumptions which are taken for granted. However, many of these assumptions need substantial revision. In particular, there are seven myths which need to be dispelled and three significant new realities which must be recognised.

Myth 1: MNCs lust after India's cheap labour.

In the first place, labour is an almost vanishing small component (no more than 10 to 15 per cent) of the cost inputs of most technologically advanced manufacturing companies. How much, then, can even a drastic reduction in labour costs affect total cost?

Secondly, the experience of the few intrepid companies who ventured into China in the past decade has come as a rude awakening to most western MNCs. After adjusting for quality, productivity, training costs, and just plain work ethic problems, the cost of labour in China was found to be several times that in the West. Cheap labour is a mirage and few MNCs will be fooled by it today.

Myth 2: Now that China is lost forever, India is the last frontier left for western MNCs to explore.

Labour is an almost vanishing small component of the cost inputs of most technologically advanced manufacturing companies. How much, then, can even a drastic reduction in labour costs affect total cost?

The fact is, the opening of Eastern Europe and the Soviet Union is an infinitely more heady and exciting prospect for western MNCs. True, they will soon realise that an entire generation innocent of market mechanisms and largely devoid of a western-style work ethic cannot possibly be fertile ground for business. But until a great many companies take the plunge and drown, India will remain a sideshow to the great march East — at least for the next five years.

Myth 3: MNCs fear an 'involuntary transfer of technology' to Indian companies, who will then compete with them.

Today, technological advantage has a very short life, as most modern global companies recognise. "Triad Power" by Kenichi Ohmae makes this point effectively — that no technology remains proprietary for long, and the only way for a company to exploit it is to introduce the technology simultaneously all over the globe. The corollary is that by the time an Indian partner can emerge as a global force, everybody already has the technology.

Myth 4: MNCs do not have the patience to wait out the long gestation periods in India.

The crucial point here is that investment in a market the size of India is rarely a make-or-break issue for a large MNC. For projects as relatively small as investments in India, MNCs are generally willing to take the long view and patiently nurse the infant along.

Myth 5: Currency convertibility is a major issue — a show-stopper.

The reality is that the MNCs' division managers are compensated on the basis of profit and loss, which is purely a paper concept. The fact that profits cannot be repatriated or converted into hard currency does not prevent the paper profits from showing up on the division manager's (and the company's) income statements. As long as the amounts in question are not large, they are not scrutinised closely either by the investment community or by the leadership of the corporation. Of course, this is a consequence of the fact already noted above — that Indian operations are simply never large enough to make much of a difference to most MNCs.

Myth 6: The limitation of 40 per cent on the ownership of equity is a major deterrent.

Again, this is a concern but rarely a deterrent. Most companies are comfortable with the fact that effective operating control can be exercised with 40 per cent ownership.

Myth 7: MNCs regard India as a large market full of docile, malleable customers.

We have already seen that 'large' is not true. More remarkably, a number of MNC executives, notably the Japanese, regard Indians as overly aggressive, even obnoxious!

On the other hand, there are a few not-so-obvious realities MNCs do rec about India.

Reality 1: The fact that the majority workforce speaks and works in En makes India very attractive to M Western MNCs are fed up with the lems they have had communicatin the Japanese and Chinese.

Reality 2: Perplexed by the tortuous of market channels in Japan; unner the prospect of having to market in ern Europe, western executives real preciate the relative openness o Indian economy — the fact that dea made, market share is seized and l open competition — just as they are to seeing in the West.

The crucial point is that investment in a market th size of India is rarely a ma or-break issue for a large MNC. For projects as relatively small as investments in India, MN are generally willing to ta the long view and patient nurse the infant along

Reality 3: Any MNC venturing into must now consider whether it wants the entire global corporation on thi venture. The Indian Supreme Court cision, known as the Mehta case, is w feared to declare that, if a catastrop caused by the company's operation liability is determined not by the da caused, but by the company's abil pay; and this is determined by the p company's global assets, not just th India.

As a general rule, no company ca insurance against damage caused by performance or negligence, both of w are facts of business life, nor is it clea contractual stipulations to protec foreign partner can withstand the fo the Supreme Court decision.

Any Indian company proposing to with a western MNC should bene keeping these myths and realities in

■ ASHOK KO

The author is on the faculty of the I Institute of Management, Ahmedaba views expressed here are his own, not sarily those of IIMA

AIT

An agenda for hardware

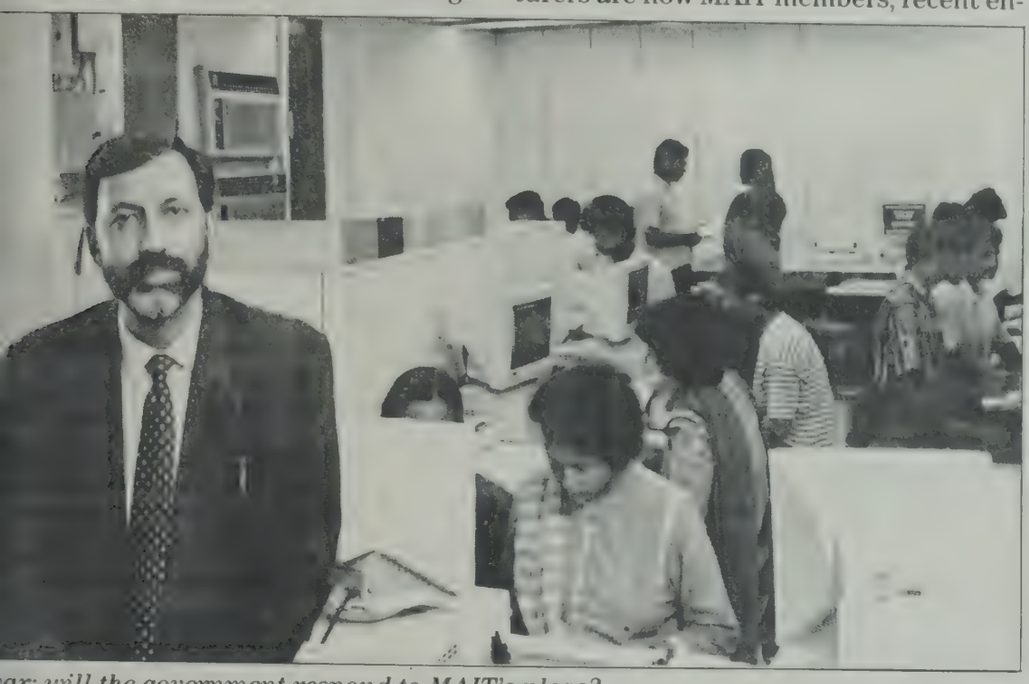
st fortnight, Rajendra S. Pawar, presi-nt of the eight-year-old Manufacturers' ssociation for Information Technology IAIT), left for Hong Kong. There, he will scuss with members of the South-East ia Information Technology Organisa-n the Indian computer industry vis-is the booming south-east Asian com-ter scene. "The visit is exploratory: we nt to see how receptive they are about operating with India," he says. The next p will be the US, where his agenda is ntical.

Pawar's visit is one example of how IT is trying to shed its staid image and ject itself as a dynamic organisation. e association has also set for itself a re visible and active role in that it has ited large public sector undertakings ing — which have a combined turnover of Rs.1,200 crore, the association today can launch a powerful lobby.

Making up lost time

Much of MAIT's renewed vigour coincides with the end of the factionalism which plagued the organisation for the last few years. This had led to the breaking away of software companies to form another organisation, Nasscom, two years ago. Since then, MAIT has been trying to make up for lost time. "Image-building is extremely important," Pawar says, and adds that one of the association's primary objectives is the active participation of all member companies to strengthen its voice.

While almost all hardware manufacturers are now MAIT members, recent en-



ar: will the government respond to MAIT's pleas?

which had earlier declined to join — its ranks.

MAIT has identified two thrust areas," Pawar, "hardware exports and better urce utilisation." In fact, even while brouhaha about the country's soft-e exports (the potential vs the ground ities) continues, hardware exports done better. Last year, hardware ex-s were nearly Rs.230 crore against 65 crore for software. MAIT, therefore, nds influencing the government to in-uce measures to increase exports. over 100 member companies — in ields of hardware/peripherals manu-re, software development and train-trants include ET&T, Datapro, Raba Contel and Suvik Enterprise. The Hyderabad-based Electronics Corporation of India Limited has also been invited to join.

MAIT sees the participation of public sector companies as vital if the government is to aid the industry. "Our main objective is to speed up procedures and review the value-addition norms that make us uncompetitive in the international market," Pawar explains. Although Indian manufacturers have been selling abroad, their buyers have mainly been East European or Soviet. Today, they want access to other markets.

MAIT has taken the initiative and sug gested some policy changes. Nalin Kohli chairman of the association's export pro motion committee, says that hardware ex ports can easily reach Rs.1,000 crore a year if the government accepts MAIT's rec ommendations. Among these are a reduc tion of the value-addition norm (presently 25 per cent on imports) in order to compete with products from Taiwan and Singapore, which have a mere 6 per cent.

It also wants export permission on an individual basis scrapped. Instead, it sug gests a blanket licence with regular mon itoring of companies. Moreover, the eligibility criteria for export houses also need to be changed: it is the small and me dium sized companies, with turnovers of Rs.15 crore, which are allowed to export. MAIT wants this to be reduced to Rs.3 crore. "We aren't looking for a subsidy or cash compensatory schemes. All we want is a package like the one for software ex ports," says Pawar.

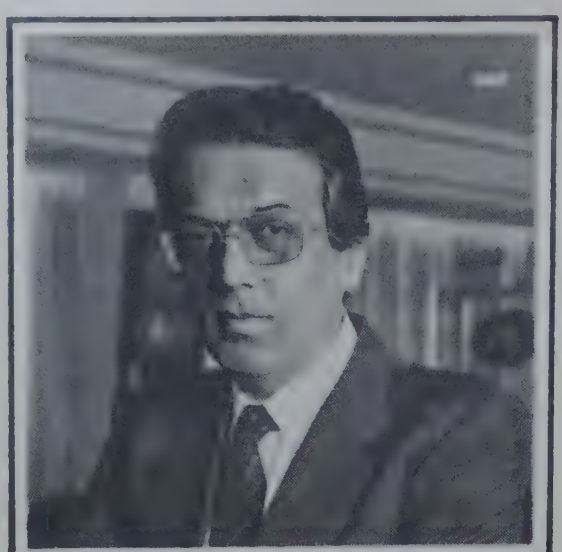
Domestic growth

That India can do well in the export mar ket is highlighted by the growth of the do mestic industry, which grew from Rs.1,076 crore last year to Rs.1,556 crore. While hardware sales went up by 42 per cent — from Rs.526.35 crore to Rs.784.70 crore — software sales jumped by nearly 90 per cent — from a dismal Rs.51.67 crore to a more respectable Rs.97.51 crore.

Even in the other segments — periph erals, in which the first level of product indigenisation has already been achieved, and training — there have been improved performances. Computer training, another thrust area identified by MAIT, brought in twice as much revenue for the sector last year compared to the previous one — Rs.48.35 crore against Rs.25 crore. The growth and prospects of the domestic market only underlines the potential for greater hardware exports, of course, given incentives.

There are additional benefits. The com ponent industry will gain from more ex ports since an increase in volumes will push prices down. In addition, to be ac ceptable to the export market, quality will perforce have to improve. On its part, the government would do well to liberalise hard currency further if it is to follow its own objective: more exports. MAIT calls it a typical chicken-and-egg situation. The question is: will the government respond?

■ RAHUL SHARMA



The following is the statement of Mr. M.R. Chhabria, Chairman of Dunlop India Limited, at the 64th Annual General Meeting on Friday 31st August, 1990.

Since I spoke to you last year, we have had a peaceful and orderly transition to a new Government at the Centre, and the nation has once again demonstrated, through what must be the largest General Election in the world, its faith and commitment to the democratic process. The new Industrial Policy that has been announced provides a further impetus to investment and growth, and exports are being encouraged. These are welcome steps, and are an indication of a maturing of Industrial Policy to achieve during the Nineties, an industrial economy in India which is increasingly, globally competitive.

If you look at the international scene, extraordinary changes are taking place, which will lead to a period of great opportunity. You have "glasnost" and "perestroika" in the Soviet Union, and the old order in Eastern Europe is breaking up. In a spontaneous burst of confidence, on 1st July 1990, East & West Germany formed an economic and monetary union, and the Deutsche Mark became the common currency. There is a worldwide shift from State-run economies to market-driven economies. Western Europe is integrating by 1992, and Japanese investment is spreading globally. Indian industry has perforce to plan its growth to participate actively in this changing global scene and achieve international levels of cost effectiveness and quality.

The recent developments in the Middle East emphasizes the need for more intensive efforts for energy conservation.

FINANCIAL PERFORMANCE

Dunlop India had a year of substantial growth in a very competitive environment during 1989-90, with income rising by 39% over the previous year. However, selling price increases in the Tyre Industry were not commensurate with higher raw material cost, resulting in lower operating profit. In view of the inherent technical strengths of the Company and the anticipated growth trend which will result in economies, your Directors have maintained the dividend at 30%, for the year.

MARKETING

TYRES

The Dunlop range of Truck Tyres command a consumer preference in the market place, and in spite of higher outputs, demand was healthy and sales would have been even higher if supply was available. The new high-performance Dunlop X 100 Truck tyre has established itself as the leader in the market.

Your Company continues to maintain its dominan in Car tyres. The range of Radial Car tyres is being e and new sizes of tyres have been offered for qualificati Maruti 1000 cc car and the Tata Estate Station Wag

We have a strong presence in the rapidly growing and Motor Cycle tyre segment, and the newly in SPECTRA-WIDE pattern has proved its super performance over other 2-wheeler tyres. We have es an association with Falcon Tyres Ltd. to increase ini presence in the 2-wheeler tyre market.

The increase in production and sales in the Tyre D being supported by the strengthening of the Dealer and this is getting the personal attention of the top lev management.

Your Company continues to be the only manufa Aircraft tyres, for which quality requirements a exacting, and the introduction of new tyre has kept p the introduction into India of more modern types of both Civil and Defence.

INDUSTRIAL PRODUCTS

The Industrial Products Division had a successful 1989-90 with sales of nearly Rs. 110 crores. Larg production and sale of Steel Cord Conveyor Belti established, thereby meeting demand hitherto met imports. As a further development, technically advanc Cord Belting in flame resistant construction, which n standards of National Coal Board, U.K., was develop commercialised for underground mining operations India Ltd.

It can be stated with some pride that we offer to th customer a range of industrial products, such as C Belting, Fan & Vee Belts, Industrial Hoses, High-P Hoses and Metalastik Rubber-to-Metal bonded comp which fully meet international specifications.

The new generation Vee Belts introduced by collaboration with Mitsuboshi Belting Ltd., Japan, hav well accepted by users, and a definite brand preferen been established.

EXPORTS

Export earnings were 99% higher than the previous y production for export became a significant part of o factory output. We are a registered Trading House, and attention was given to trading turnover. A Developme has been created to widen the scope of export trading

The first export order for Steel Cord Conveyor Belti obtained, and negotiations have reached an advance for further export orders for this world class product.

Tyres for the TU 154 Aircraft were developed and ex to Syria.

PRODUCTION

The Sahaganj factory reverted to normal operations a 97 days strike in the previous year. The main effort

DUNLOP

ry during the year was in improving plant and equipment ıtion and debottlenecking capacity from sector to sector. development programme for the Sahaganj factory pates an increase of 25% in outputs.

oduction at the Ambattur factory was maintained at a inally higher level than the previous year. For this factory he capital expenditure programme envisages an output ıse of 20%.

nificant changes in organisational structure have been at the factories to improve quality assurance. Capital ıditure programmes for factory modernisation aim at ving levels of quality assurance which compare with the

ease in the prices of raw materials continued to pose a em and resulted in increase in manufacturing cost which ot fully recovered by selling prices. Some decline in raw ial prices is expected this year.

established factories tend to be overmanned, and ore our personnel cost as a percentage of output is . As a first corrective step, 7-day work week has been led to all major operating areas at Sahaganj in an effort to ve productivity.

received useful technical support from our foreign orators—Sumitomo Rubber Industries, Japan for otive tyres, Dunlop Aerospace, U.K. for aircraft tyres, .K for Steel Cord Belting and Mitsuboshi Belting Ltd., for Vee Belts.

PERSONNEL

loyee relations during the year were generally cordial. eet the challenges of a competitive environment, ed efforts are being made not only to improve tivity but to change the work culture through constant ation with the recognised Unions and employees.

Company firmly believes that Training and Manpower pment are crucial for any organisation striving for nce and as such Human Resource Development s are being reviewed constantly so as to equip our ees to contribute their best towards the growth of the ny.

PROSPECTS

Company is committed to its strategy of achieving a te of growth in the existing operations from the new ase established during 1989-90. We are taking steps to through backward integration which will substantially e added value, assure supply of critical raw materials ntribute towards a more competitive pricing of these terials. A Memorandum of Understanding has been with West Bengal Industrial Development Corporation ng up a Joint Sector Company, for the manufacture of Black in Haldia, and considerable progress has been implementing the project. We also have pending an ion to the Government of India for the manufacture of ' Industrial Yarn/Tyre cord and Fabric in a backward area in Orissa.

Long term growth prospects of all major user industries, who constitute our customers, are bright, which will result in the continued growth in the demand for the Company's range of products. Recent developments in the Middle East to which I referred earlier, and the consequent increase in the cost of energy, have re-emphasized the need for upgradation of the highway infrastructure in the country for the movement of goods and people, to improve road transportation productivity for every barrel of oil consumed. This will provide a further fillip to road transport and future demand for tyres. Export prospects of own manufactured and factored products are also bright. During the year, considerable top management time was devoted to the investigation of setting up an internationally competitive production unit for the manufacture of All Steel Radial Truck tyres. The developed countries have converted from cross ply to All Steel Radial Truck tyres and a similar change is inevitable here as the National Highways in the country are modernised.

In the Trading Sector, the present emphasis is on developing Sports Goods and Leisure Wear, which have large export potential from our country.

We had a year of substantial increase in income, and therefore, inspite of some disappointment in the current year's profit results due to external factors which affected the entire Tyre Industry, I foresee for Dunlop India, growth, higher efficiency in existing factories, and a wider manufacturing and trading activity which will induct new skills, and provide a broad base for development and growth in the future.

VOTE OF THANKS

I wish to express my thanks to our employees at all levels for their cooperation and support during the time when outputs and sales had to be increased substantially over the previous year, and to our dealers and other customers. I wish to thank all our suppliers of raw materials and equipment for their timely support. I wish also to thank each of our foreign collaborators for the assistance provided in upgrading our products, achieving energy and other savings and keeping us abreast of technical progress in the international arena. My thanks also to the various Departments of the Central and State Governments for their assistance, and to Financial Institutions, Bankers and all investors in your Company for their support, which I am sure, we shall continue to receive.

Note : This does not purport to be a record of the proceedings of the Annual General Meeting.

DUNLOP
Dunlop is Dunlop.
Always ahead.

Siemens faces unrest

In May 1989, the Shanmukhananda Hall at Matunga in Central Bombay witnessed an unusual function — the silver jubilee of the Siemens' workers union (SWU). The jubilee was jointly celebrated by workers and management representatives.

An uncommon sight under any circumstances, but subsequent events make this bonhomie appear even more incongruous. Some 15 months later, the annual general body meeting (AGM) of Siemens Ltd was disrupted by throaty demonstrations from a 1,200-strong group of workers. On 6 September 1990, under the SWU banner, workers assembled outside the Patkar Hall in south Bombay and brought to the notice of the shareholders of this subsidiary of the German multinational, the "unhealthy interference in union matters by management".

Trouble started in this company in April this year. Though the problem appears to revolve around the question of union leadership, the initial attempts by management to grant facilities to one faction of the leadership while not recognising the other, strengthened the impression that the management did not care about the rift among the workers. Here at Siemens, it was not the workforce being split up into many unions, but a large majority of workers battling for a leadership of their choice.

Unconstitutional

"Despite the fact that a majority of the members of the 2,960-strong SWU adopted a resolution at a special general body meeting held on 15 April this year stating that the election call given by former general secretary of the organisation, U.S. Mahale was unconstitutional, and, informed the management of this decision in a letter of 19 April, the management gave the requisite support to the election on 22 April," alleges present general secretary, P.V. Gopalakrishnan. Along with current SWU president S.A. Sawant, Gopalakrishnan was elected at a subsequent election held by the union on 28 May.

Refuting this on the stage of Patkar Hall, company chairman F.A. Mehta stated, "We in Siemens will always be proud to have a strong and united union with whom we can interact." Stressed A.U. Bhende, chief manager, personnel and industrial relations, policy to *Business India*, "Though the crisis is unresolved and we would like to see both groups get representation in the union — the union is particularly touchy about any action that may seem like interference. And we respect this view because we do not want them interfering in management!"

"Why then does the management persist in holding talks with U.S. Mahale who has been removed from office by a large majority of the workers?" asks Sawant. The large majority of workers who participated in the demonstration at Patkar Hall did not recognise the election of 22 April, it being unconstitutional as per Bye-law II(2) of the SWU, and had boycotted it. They claim that only around 325 workers voted for Mahale in this election.

Thereafter, another election, this time legally called, was held along with the general body meeting of the SWU on 28 M which ousted Mahale and installed present leadership. "However, since management persisted in holding disc sions with Mahale alone, the SWU secu an order from Justice Bunjtikar of the dustrial court directing the managem not to hold talks with Mahale," expla Gopalakrishnan. Despite this, talks w Mahale still continue. "What other con sion can we draw but that the mana ment continues to subtly interfere?" asks.

Tension mounts

The annual negotiations of the comp are due this month even as tension strife within the premises continues. industrial court, approached by the un to intervene, has promised an exped verdict by 30 September.

Meanwhile, 250 workmen have b transferred for "wilfully slowing do procedures", all the SWU office bear chargesheeted, and another 350 wor issued show cause notices, accordin Gopalakrishnan. Bhende does not d this. "There is no question of the comp taking any acts of discipline lightly, says.

"Unlike the pression the c pany wants to con it has lost signific amounts during last three mon due to labour rest," alle Gopalakrishnan. only does the m agement vocifero deny this, but qu statistics to sh how production been according schedule.

Whichever way looks at it, Siem which has recor significant growt several areas si 1988, and has joyed peaceful r tions with its internal union for the last years or so, is suddenly the centre of sig icant labour unrest. For Albert Hoser, outgoing managing director, who joins the company's operations in the it is an unpleasant end to a seven-y long innings in India.

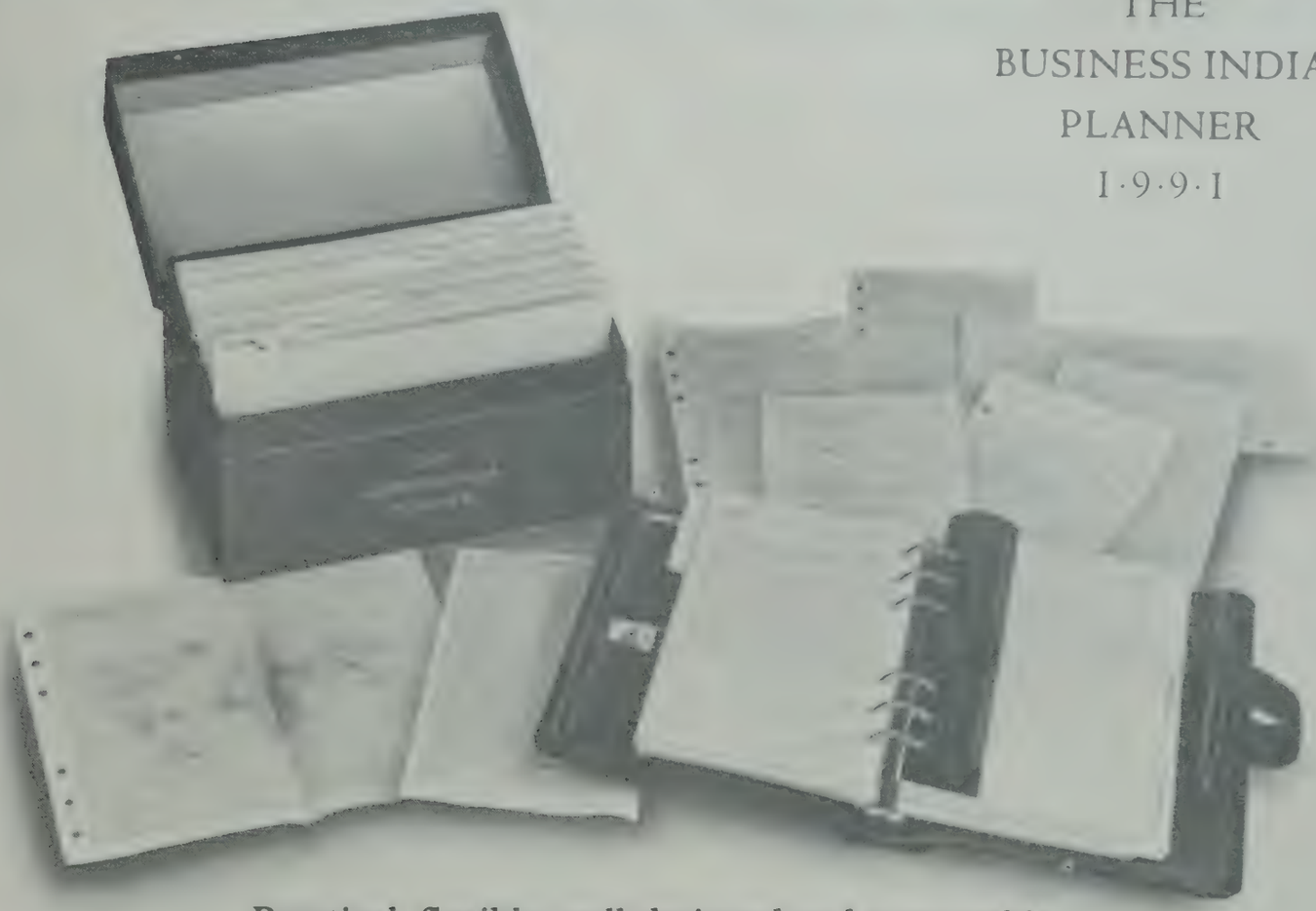
■ TEESTA SETAL



Workers protesting against management 'interference' in union matters

A Great Business Gift

THE
BUSINESS INDIA
PLANNER
1·9·9·1



Practical, flexible, well-designed and memorable.

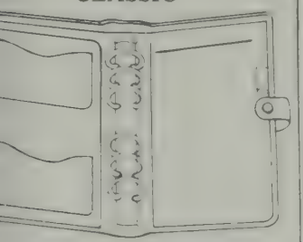
The Business India Planner 1991 is a gift that will reflect your company's prestige and class.
A portable office system, it will be a daily advertisement for you in the years to come.

Bound in rich real leather with its easy to use design format,
The Business India Planner 1991 has a valuable
Information section, a versatile Diary section, a handy Network section,
and an indispensable Organiser section.

Select between the Day Plan (a page-a-day) or the Week-at-a-glance
(a week on a double spread). This year you can choose between two designs:
the Classic (which allows more space for storing documents and papers) and the
Contemporary (which is a more compact version).

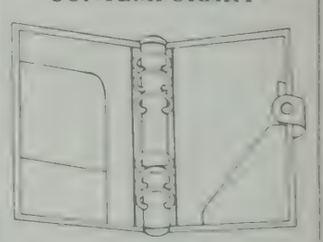
With its unique trigger operated ring binder system, add, subtract and
relocate pages from the numerous features and options available.
And next year, all that needs replacing is the diary section.

CLASSIC



ctual size (closed) 19.5 cms x 14 cms

CONTEMPORARY



Actual size (closed) 19 cms x 13.5 cms

ATE PER PLANNER

Please note the planners will be available from mid-October, 1990)

Quantity	CLASSIC Week-at-a-glance	CLASSIC Day Plan	CONTEMPORARY Week-at-a-glance	CONTEMPORARY Day Plan
-9 Planners*	Rs. 485*	Rs. 499*	Rs. 445*	Rs. 460*
0-30 Planners	Rs. 460	Rs. 475	Rs. 420	Rs. 435
1-50 Planners	Rs. 450	Rs. 465	Rs. 410	Rs. 425
1 & above	Rs. 440	Rs. 455	Rs. 400	Rs. 415

a special discount of Rs. 25 is available for Business India subscribers
ostage & handling charges: Rs. 25 per Planner.

or an order of 5 or more Planners, we can emboss your Company's name, in a tandard typeface, on the leather folder at Rs. 10/- per Planner.

Classic: ____ ☐ Week-at-a-glance: ____ ☐ Day Plan: ____

Please indicate colour in order of preference. (Colour subject to availability):

☐ Black ____ ☐ Burgundy ____ ☐ Tan ____

Contemporary: ____ ☐ Week-at-a-glance: ____ ☐ Day Plan: ____

(Available in black only with a tan border)

Subscription No: ____

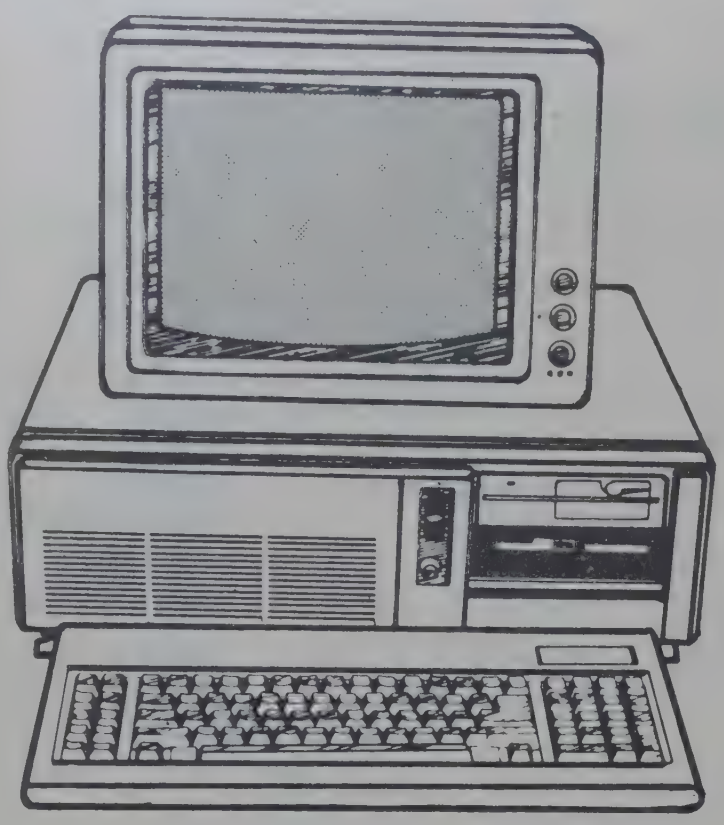
Name: ____

Address: ____

My cheque/D.D. P.O. for Rs. ____ drawn in favour of **Business India Services** (+ Rs. 5 for cheques not drawn on a Bombay bank) is enclosed.
Please allow 28 days for delivery.

Mail the coupon to: Business India Services, Nirmal, 18th Floor, Nariman Point, Bombay 400021. Tel: 2041974, 2024422. Tlx: 11 83551 BZIN IN
r contact our branch offices: Delhi: 350253, 312485. Madras: 474964, 860714. Calcutta: 448455. Bangalore: 265149.

LIABILITY



ASSET



You've spent lakhs of rupees on your PCs. But what was your Return on Investment? And why? It's estimated that 95% of Indian Lotus 1-2-3 users fail to get the full benefits of the package. And the situation is even worse for other Lotus products : graphics, word processing, database, communications and networking.

Now give your office the LOTUS CORPORATE USER habit. The official publication from Lotus India.

With tips on how to improve efficiency by doing better accounts, better spreadsheets, better sales forecasting, better reporting formats. (And other things you never thought possible with your PCs.).

Written by Indian experts, for Indian business conditions. Post this card back immediately, and you could try the first issue absolutely free. (A nice way to cut overheads right away.)

FREE!

Receive your complimentary first copy of LOTUS CORPORATE USER.
Post this coupon or your visiting card to Lotus India, Hotel Hyatt Regency New Delhi-110066.

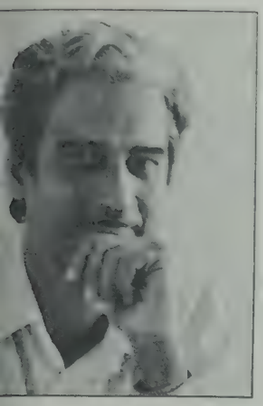
Name .....

Designation .....

Organisation .....

Address .....

Why unions are afraid



. RAMASWAMY

Ever since the government began to push participative management, all that we have witnessed is opposition to the idea. No one says the idea is bad, but everyone wants modifications in the bill on participation which would make it ineffective. The punch line of employers is that it should not be statutorily imposed, which is just another way of saying they don't want it. Nor are trade unions keen. Behind the scenes, prominent unionists, including even from the ruling front, are confidently predicting that the bill will not see the light of day. Employers and trade unions have found in participation a common enemy. So much is this the case that employers' organisations are demanding that enterprises where neither management nor unions want participation should be exempted from the purview of the bill.

Seemingly absurd

On the face of it, trade union opposition to a move that gives workers greater say in the enterprise sounds absurd. The quest for industrial democracy has after all been the soul of the labour movement since the time of the Webbs. Their mission has been to ensure that workers are not treated as dumb cattle, but as partners to be consulted and carried along. And now when the government is forcing the employers to do just that, the unions are crying foul.

Why should unions oppose a move which will considerably further their cause? What are their arguments against participative management? In fact, they have no arguments. All they have is the repeated assertion that participation should not be at the expense of trade unionism. Deeply troubled by the implications of the bill, the unions are trying to mask their insecurity with radical jargon about the protection of trade union rights.

When the government made its first move early this year, prominent trade unionists made it plain that they wanted participation to be a right conferred not on workers but on unions. Such a distinction between workers and their own unions might sound puzzling, but not to those who know the ground realities. Workers and their unions aren't quite the same because many big name unions do not have the membership they claim. It was to protect this skeleton in the cupboard that they wanted participation to be a union right and not a worker right. The bill and scheme on participation ensure that the skeleton would in fact step out of its confines.

The government has proposed that trade unions should get the right to nominate representatives to participative bodies only if they have organised at least 50 per cent of the workers. A secret ballot is required to ascertain whether they do in fact command such a following. Where membership drops below the half-way mark, the entire work force can elect the representatives.

It is not difficult to predict the consequences of this move. Many unions are likely to be trounced, with the polls showing actual support to be well short of claims. It should come as no surprise if membership in many enterprises is below 50 per cent in spite of the presence of numerous unions. The loss of participative rights will not be the only consequence of this defeat. The collective bargaining rights they have enjoyed all along would also come under question when their lack of following is established. It would become impossible for unions with an absurdly small membership to claim the right to speak for the workers.

Price to pay

Not all unions would suffer such ignominy. The damage is bound to be most where multiple unionism and inter-union rivalries are at their worst. Unions which have based their existence on political support and management patronage are likely to be mauled especially severely. Trade unions affiliated to the national federations are also likely to be among those to suffer. All those who have neglected the task of organising and alienated the ranks of workers would pay the price. In contrast, quite a number of independent factory-based unions with no larger linkages are likely to come out with flying colours. Their level of organisation is impressive, encompassing on occasion the entire labour force.

If the government carries out its intentions, industrial relations would undergo momentous change. Many old equations would be upset and new ones come into being. The very survival of some unions would be threatened. It is in anticipation of these possibilities that trade unions are opposing the introduction of participative management. We are already witnessing strange reactions spurred by the survival instinct. Some unionists who have always sworn by the secret ballot are having second thoughts. What they want is a ballot among union members to show which unions they support. They don't want a ballot of all workers to find out if they support any union at all. Unions which may have differences among themselves on methods of ascertaining membership are likely to be together in this.

In the past, governments have readily caved in to pressure. Even now, the really critical provisions are contained not in the bill, but in the scheme which, not being a part of statute, can be modified without much trouble. Only the future can tell whether this government, which has so far shown no signs of relenting, will stand its ground.

uthor is a
ance commentator
consultant based
elhi

Regd. office: 19, Rajaji Salai
Madras 600 001

Ashok Leyland Limited *Highlights*

Review of Operations

I am happy to report that 1989-90 has been yet another period of satisfactory performance by your Company. Significantly higher volume of vehicles could be sold primarily due to continued accent on product quality, customer orientation and better market penetration. 26451 vehicles were sold during the 15-month period (17% higher on annualised basis) with an achievement of a higher market share. Sale of 5405 industrial and marine engines was recorded (36% higher on annualised basis). Sale of Parts, valued at Rs 66 crores was 26% higher on annualised basis.

Gross turnover for 15 months in 1989-90 at Rs 861.55 crores, registered an impressive annualised increase of 30.6% over turnover of Rs 527.85 crores in 1988. Gross profit before depreciation, financial expenses, and taxation for 1989-90 was higher at Rs 75.61 crores over the previous year level of Rs 53.18 crores. Profit before tax at Rs 30.59 crores was higher by 19% on an annualised basis over 1988 level of Rs 20.58 crores.

Having regard to the impressive performance during the period, your Directors have recommended a dividend of 31.5% (25.2% on annualised basis) compared to 21% in the previous year.

Outlook for 1990-91

Trends during the current year indicate continued buoyancy in the road transport industry with a strong demand for commercial vehicles. Forecast growth in agriculture and industry should sustain these positive trends. However, one cannot be oblivious to the disturbing signs on the economic front, in particular, the difficult balance of payments position; the high rate of inflation; and the unforeseen and grim developments on the oil front. I hope that Government would take pragmatic, decisive and timely measures to overcome these major threats to the economy and sustain the growth momentum.

The need for conservation of fuel is once again engaging the urgent attention of the Government and has served to validate your Company's strategy of developing products which ensure high fuel economy.

Product Plans

Your Company has, in recent years, laid considerable emphasis in the direction of fuel economy, as evidenced by the introduction of new state-of-the-art, fuel efficient engines as well as the improvement of fuel-efficiency of the current AL 400 series engines to contemporary standards. **I believe that your Company's products would become increasingly relevant to transport operators, who must necessarily operate in an environment of fuel conservation.**

As mentioned to you last year, Comet Junior - a 4 tonne payload truck and a 22 tonne GVW 3-axled truck with retractable second rear axle have been introduced. In addition, to bridge a specific gap in the product range, a new medium duty Normal Control (bonnetted) truck has been introduced. All the new introductions have been well received in the market.

Expansion and Modernisation plans

Given increasing market acceptance for your Company's products and expectations of a reasonable growth in demand for commercial vehicles, we have planned for a quantum increase in the business volume of your Company in the coming years.

Access to IVECO technology has provided your Company significant potential to develop new products to contemporary world standards and with a decisive competitive edge to meet not only local demand, but also for export.

Technical personnel of both Companies have held series of discussions and identified a range of vehicles that are ideally suited to foreseeable market needs and which will supplement the present product range. Your Company has accordingly drawn up ambitious product and investment plans for the '90s, fully supported both from technical and financial viewpoints by the overseas shareholders, LRLIH Ltd.

These plans also envisage upgradation of existing products with emphasis on fuel efficiency and emission control, besides driver comfort and safety. I believe that the various plans, for implementation over the next five/six years, would enable your Company not ony to acquire a larger presence in the Indian market but would also lead to achievement of global standards.

Towards Global competitiveness

The past decade has been a momentous one for the Indian automobile industry. This industry which had remained insulated from world trends until the '70s has successfully imbibed some of the best developments in the automobile technology during the '80s. This transformation, has in no small measure been aided by the more enlightened approach of the Government towards industrial liberalisation as by the economic and market compulsions of fuel conservation and pollution control. Recession in key market segments and fragmentation of capacities notwithstanding, several product introductions have been made and sustained providing better value Indian customer.

It appears that the Indian auto industry has at last come of age.

To aspire for global presence is natural growth urge. However, Indian automobile industry demonstrated the ability to develo indigenise new technologies a introduce new products, it is a moo as to when the industry will be re take on the challenges of competition. **I believe, the time i opportune to commit ourselves to b up the wherewithal to launch and the Indian automobile products global market in the coming decade**

This needs a well orchestrated eff the part of everyone who is a stake in the national enterprise of bec global.

Firstly, global competitiveness demand that, the entire indu spectrum of the economy must ope a high level of efficiency and techno competitiveness. This is partic relevant in the context of auto products which are dependent on range of feeder industries such as ir steel, automotive ancillaries b machine tools, production tools an The plans for modernisation of the steel industry, to cover in particul grades of steel required for the auto industry, cannot brook further delay.

Whilst the auto ancillaries have also a significant part in the transforma the automobile industry to adultho development has been somewhat u It is vital that the auto ancillary ir also believes and commits itself concept of global competitiveness only in terms of cost but more impo in terms of technology and consiste quality.

Secondly, we need to sustain the te technology development in the ne years, despite the difficult bala payments situation. I believe tha with the present state of developm the Indian automobile industry, im technology and capital goods in th term would continue to be unavo and may indeed be desirable in sp areas to hasten the pace towards competitiveness.

An important parameter for competitiveness has been fuel efficie vehicles. During the '80s, the Automobile industry has taken sign strides in upgrading the fuel efficie vehicles to contemporary global **The Government policy supp manufacture of fuel-efficient vehicle suitable fiscal incentives has b

ive stimulus to these efforts. However, e incentives are only extended in the of import duty concessions and are available once indigenisation takes e. This is a paradox which should be ected quickly, as **fuel-efficient vehicles t be encouraged per se, given the pulsions of the present oil crisis.**

ieve that the objectives for the '90s t focus not only on continued ovements in fuel efficiency but also chieving new standards of emission rol. The Government has accorded importance to this aspect in framing ew Motor Vehicle Rules. The Rules fy a smoke limit of 65 HSU for diesel n vehicles. I am glad to report that all les of your Company meet the norms. April 1991, the smoke limit of all es would be set to tighter standards as 10000. Thanks to the developmental which your Company's R & D ion has undertaken, all the engines ently in your Company's ufacturing range will comply with norms.

1992, a mass emission standard for ust gases will come into force. With e technology available to us from our porators, your Company's products d be able to meet not only these s, but also the tighter norms that are to come into force thereafter. over, the new range of engines that eing introduced in the Company's ucts will not only meet the Indian s but will also conform to the more ent E. E. C. norms to be introduced in e in 1992. Your Company's products d thus have the necessary ological capability to compete in l markets including the European ts.

of vehicles is an equally important ion for global competitiveness. The Motor Vehicle Rules incorporate a er of standards relating to ruction and operation of motor es. Some of these are, in fact, trended world standards. One such new rd is the dual-line air brake system. ill be interested to know that your any had pioneered the introduction advanced dual-line air brake system ia nearly a decade back.This feature een a standard fitment on all export ls and an option on domestic les. Your Company has also ered the fitment of power steering is considered an essential feature on les in medium and heavy duty ry in global markets.

e some recent improvements, Indian obile products continue to be way d world standards in respect of of metal protection and painting, driver and passenger comforts and aesthetics. This is largely due to high cost of these features, resulting out of high cost of capital equipment, which the Indian customer is either unable or unwilling to pay for. However, **there is a perceptible change in the expectations of the Indian customer who is now prepared to pay for better quality, reliability and comfort. It is necessary to support these positive trends through development, and where necessary, import of technology; this is not merely to satisfy the domestic market, but to enable the final crucial steps towards achievement of global standards of quality and technology.**

Thirdly, technology developments in the '90s will need to be faster and more widespread covering the entire automobile industry including ancillaries. The attendant costs will therefore be enormous. Government support to this monumental task is essential so that the manufacturers, faced with heavy investments without immediate returns, do not shy away from this task. Government and Financial Institutions should develop suitable financial incentive packages to support these investments with comparatively longer gestation periods.

Lastly, and most crucially, to support this thrust for basic reasearch and to innovate and update technology on a continuing basis, there is an urgent need for the industry to develop a cadre of dedicated professionals who would be competent, creative and capable of developing new ideas and who believe in the philosophy of technological virtuosity. Industry must of course provide the environment and motivation for such a cadre of professionals to work on challenging assignments.

As this task is easier said than done, a quick and formal approach is required to create the needed interface between the industry and academia without further delay. The move by the Confederation of Engineering Industry in signing Memorandums of Understanding with the IITs for such an interface is a step in the right direction and needs to be pursued to a logical conclusion by identifying specific projects of cooperation. Your Company, proposes to give greater emphasis to the evolution of the professional in the R & D area, through appropriate training, compensation and motivation.

Roads and Technology

Unfortunately much of the technological effort of the automobile industry in this country is diffused, and may I say even wasted, in overcoming the punishing constraints of our utterly inadequate and hazardous road system.

It is ironical that while the automotive industry will be focussing its attention in the '90s towards further upgradation of technology, the attitude of the policy makers continues to be lukewarm towards road development. It has been documented in several studies that hundreds of crores of Rupees are wasted by way of excessive fuel consumption due to bad road conditions. **It makes intuitive sense to spend money on good roads which would be a lasting developmental infrastructure rather than live with bad roads and waste precious foreign exchange to cope with excessive fuel consumption on such bad roads.**

In my address to you last year, I had made two important suggestions to tackle this problem of funding road development—firstly, user based funding strategy by which toll is collected from the user to pay for the upkeep of the transport system and secondly, opening of road development to private sector including NRI with an appropriate incentive package for investment. I would only reiterate the suggestions and look forward to appropriate policy responses from the Government.

Making it happen

As your Company looks to the future with optimism and confidence, I must place on record the assistance and encouragement your Company has received from the shareholders, Central and State Governments, bankers, financial institutions, suppliers, dealers and the road transport community. I am confident that your Company will continue to receive such support in overwhelming measure in the future.

The '80s have been a decade of unprecedented challenges. Yet, if your Company has scaled new heights in performance and is now poised for new vistas of growth, the credit must go to the dedicated employees at Ashok Leyland—they were undaunted in the face of odds and unflinching in their commitment to the Company's goals. They are your Company's most coveted assets to support the drive towards technological excellence and corporate growth in the years to come. I have no doubt that your Company with such a magnificently responsive and supportive human resource base, would consistently excel itself in the '90s as well.

This does not purport to be a record of the proceedings of the Annual General Meeting

Deregulating the manufacturing sector

Protectionism, changed manufacturing economics, job creation, export markets, domestic policies — quite a mouthful, but yet inexorably, albeit loosely, linked in today's and tomorrow's world.

India has a long tradition of protecting the domestic market. Consequently, it has been considered improper for policy decisions to take into account their impact on manufacturing economics. This would be construed as ultra rightist and favouring the rich. In fact, with "protectionist" policies what has happened is exactly this and the rich have prospered in the security of a protected womb. At the same time, our large industries find it difficult to export because MRTP, licensing laws, administered prices, exchange control have resulted in inbuilt inefficiencies of scale, prices of inputs, productivity, etc.

For a long time this was fine as manufactured exports were of little importance. This has now changed, and it is probably the only sector today that can lead us out of our adverse balance of payments syndrome. Also, we need to recognise that while this sector did, in the initial stages, create employment, in the long run if it is to be exposed to competition, it cannot become a major employer and survive. The type of products it is manufacturing today require capital as a major ingredient to win comparative advantage.

Manufacturing economics

Manufacturing economics is today running into a collision course with traditional industrial structure. This applies as much to local multinationals as well as local groups. The traditional goal of most multinationals is to be a "good citizen of our country". This translates into multinationals being run by locals and total indigenisation of methods. But this is against the global trend where even the largest markets (US) etc., are becoming too small for the efficient production of everything. Automation by definition calls for centralisation and specialisation. Take for instance what has happened in the automobile industry — mergers, agreements, production sharing basically aimed at providing the most economical products. Other industries are following suit. But the decision to change, however justified, will face stiff resistance from the "good citizen" lobby. This means taking jobs away from countries. It will be opposed even more strongly by local managements of multinationals as it will mean that they are no longer masters of their own houses.

We in India have not only forced the multinationals to think small but to be small and totally focused on the local market. It is worth considering an offer to multinationals to become a production base for products in which India has a comparative advantage. In return, we should allow them free access to the local market on an FX neutral basis.

It is probably the only sector today that can lead us out of our adverse balance of payments syndrome. Also, we need to recognise that while this sector did, in the initial stages, create employment, in the long run if it is to be exposed to competition, it cannot become a major employer and survive

The same policies have been followed in relation to our homegrown groups. An examination of our major corporations will show a tremendous propensity for a total manufacture under one roof/ownership. For example, why do most of our auto companies manufacture engines, why do we have 17 tyre companies and then everyone going into nylon tyrecord, why do most companies manufacture their own PFY — we can go on indefinitely (MRTP). The point is: is this preparing us for the future? Is it the way the world is going? Is it the most economical and efficient way? Is the Indian market large enough for efficient production by so many units because export would not be possible due to inefficiencies of small capital intensive units?

This brings us back to the question of exports and jobs in the future. The most outstanding successes in India in th cent past in these aspects have been l nesses which have segmented the ma and then used local strengths to the m mum. To name a few — Nirma, Lupin gersoll Rand, Kirloskar Cummins, T Levers — the list goes on.

Using local strengths

Nirma decided to be labour-inten manufacturing in a number of med sized factories and attacking a middle lower middle class segment with che prices (low cost manufacturing) a jingle that transported a lady wash clothes into a different world. Lupin cided to be the lowest cost produce 'ethambutol' and today produces 90 cent of the world's output. Cummins Rand identified areas of production wh they could produce the product at cheapest for the parent company w making a profit locally.

Let's forget the macro largeness of country and concentrate on the mic How many such companies do we nee get Rs.2,000 crore of exports and them all the help that they need. The o area we must explore is the small/ dium companies. This is where our and exports are going to come from.

A study by Mckinsey and Compan mid-size growth companies in the US veals some interesting facts.

- The mid-size growth companies g three times as fast as Fortune 250 in s employment and profit during the decade.
- Majority of the companies were not h tech or service companies, manufacturers.

What the companies had in com were:

- Entrepreneurship and innovation
- Use of competitive advantages
- Ability to react quickly.

In India, there are not too many imp ments if you are mid-size, but what catapult these companies is encour ment in terms of tax, venture capital OTC market.

In essence, what is required to cope tomorrow is a review of our attitud large houses, MRTP, licensing, foreign ital and our financial system aime freeing economics as quickly as poss The market needs to be a king.

■ ADITYA

The author is vice president and area head of Citibank for India, Sri Lanka, Nepal and Bangladesh. The views expressed in the article are his own

SHARE THE SUCCESS

ENTERPRISE

WITH GIIC'S ENTREPRENEURIAL EXPERTISE

C is much more than a financial
itution.
as not limited itself to lending
nce.
vigorously played the role of
repreneur.
h singly and in joint projects.
in both the cases, steered the
panies towards notable
evements.
C has accumulated
epreneurial expertise through
y projects over the years.
f its promoted projects are in
ration in which investments range
Rs. 75 lakhs to Rs. 287 crores.
products range from Soda Ash to Hotels and
cles to Wind Farms.
experience has helped GIIC to create its wholly
ed successful company, **Gujarat Lease Financing (GLFL)**. The financial and business acumen of
C is reflected in the excellent performance of GLFL.
oursements have shot up 10 times, Reserves,
omes and gross profits have gone up more than 10
es in a short span of 5 years.
this in a tough, competitive environment.



The momentum generated by GLFL is pushing it towards higher achievements as it spreads its wings to cover larger territories and to enhance its industrial and consumer markets. With a great potential for profits and for lucrative investment returns.

A major factor of success of GLFL has been Entrepreneurial Expertise — a legacy from the corporate experience of GIIC.

Financial Assistance Schemes
GIIC has 3 major financing schemes. Equipment Refinance Scheme, Modernisation Scheme and Seed Capital Financing to suit the different requirements of industrialists. These have now been revised. For project costs it has been increased from **Rs. 300 lakhs to Rs. 500 lakhs.** Individual sanctioning limits up from **Rs. 90 lakhs to Rs. 150 lakhs**, for **Equipment Refinance Scheme** it has been raised from **Rs. 100 lakhs to Rs. 150 lakhs.**

GIIC provides a Single Window System for providing speedy and satisfactory service to entrepreneurs.

GIIC - Success through Success

Gujarat Industrial Investment Corporation Limited

Chunibhai Chambers, Behind Dipali Cinema, Ashram Road, Ahmedabad - 380 009 Phone : 401302-7 & 9
Telex : 0121-6448 Fax. : 91-0272-402561

TELEVISION COMMERCIALS

The ad according to Doordarshan

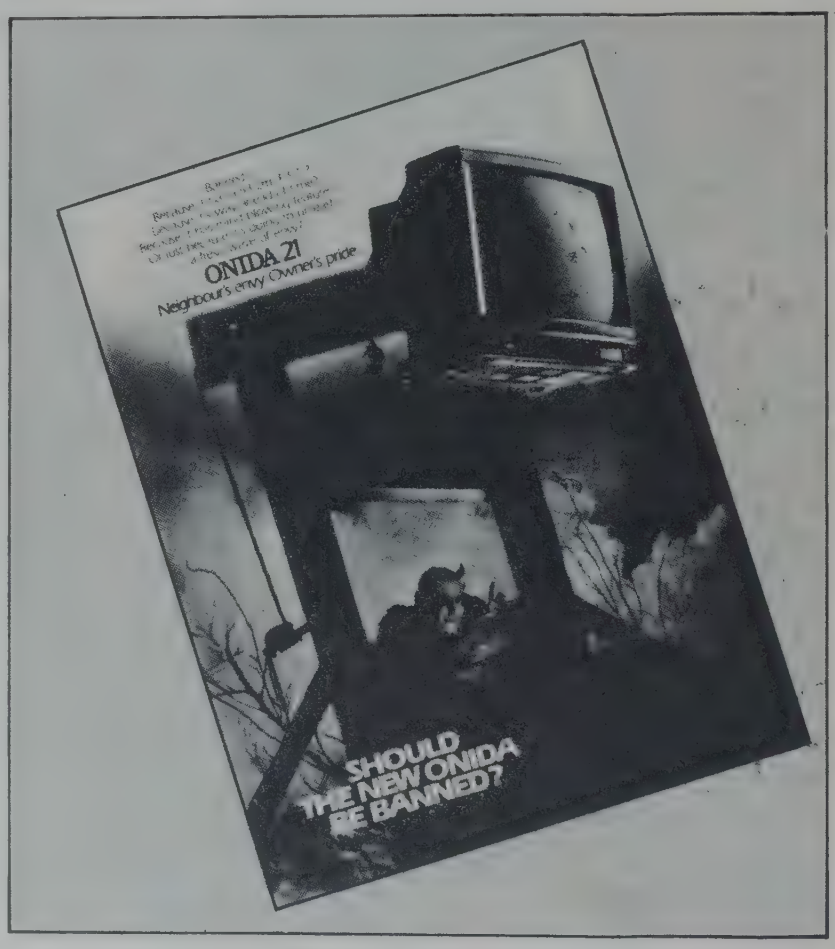
The storyboard for the TV commercial of Mahindra and Mahindra's jeep had been submitted by Lintas Advertising for provisional approval to Doordarshan's controller of sales in New Delhi. Clearance for the ad, which normally takes a week, took longer. Lintas' advertising strategy for the jeep emphasised its fuel economy, ruggedness and looks etc and ended with a punchy message: "Mahindra and Mahindra: the power of common sense." Lintas' representative was promptly asked, "What does that mean?" The matter was debated hotly for days before the ad was ultimately released, without the line.

A humourous ad for Uncle Chipps potato wafers made by Contract Advertising recently suffered a similar fate. Its storyline: two caricatures of Hindi film toughies fix a rendezvous with a man in a red shirt and pounce on him the moment he arrives. One pins him down while the other snatches his briefcase. In the scuffle the briefcase falls open and out pop packets of Uncle Chipps. The three then munch the wafers in happy camaraderie. Doordarshan rejected this advertisement because it didn't show enough of the product. And Contract had to re-do the campaign.

Nestle's advertisement for Nescafe has been hauled up for depicting foreign locals and models. Bombay-based agency Avenues has been told brusquely that it's time it changed the Onida TV campaign; the green devil, which has evolved virtually into a logo for the company, simply has to go, says M.S. Bedi, Doordarshan's controller of sales.

Increasingly, both agencies and their clients are being asked to fall in line or cut it out. And naturally, the Doordarshan's muscling in is cramping their creativity. Bedi's argument is: "Creativity is no doubt important, but if three-fourths of a commercial does not show the product, there is no point in having it at all."

Political whimsy seems to have dictated the unwritten guidelines that Doordarshan is zealously trying to implement. Doordarshan sources say it all began three months ago when former deputy prime minister, Devi Lal, initiated a discussion on television ads. Soon afterwards a note from cabinet secretary Vinod Pande recommended to Doordarshan that it should not accept ads which show "elitism, consumerism and luxury goods". Typically, these terms were left undefined. Did this mean a ban on advertising luxury goods or the luxurious presentation of certain products? Neither Doordarshan nor the information and broadcasting ministry have clarified. D.K. Bose, media manager in Hindustan Thompson Associ-



The end of the devil?

ates' Delhi office, says, "Objections to ads become a matter of personal interpretation if the code is unwritten. Are they implying that we have to stop advertising luxury goods altogether?"

Interestingly, last year Doordarshan raked in Rs.200 crore in advertising revenue — a six-fold increase since 1984. The misguided monopolist that it is, Doordarshan has been disapproving of its highest revenue contributors. For, according to an ORG survey, textiles, t sions and two-wheelers were amon ten most heavily advertised produc TV in 1989.

Last month, Doordarshan banne use of foreign models. Says Ravi Char of Clarion Advertising Services, "Wh this applies to models who look lik eigners is also unclear." Advertising fessionals are exasperated by the ab lengths Doordarshan goes to imple this — in doubtful cases, agencie asked to produce proof of a model' tionality or a birth certificate! The recent victim of this stance is Lehar P In an official communique to D darshan, P. Upendra, minister for i mation and broadcasting, singled ou ad: "Look at the advertising films rently being shown by Pepsi foods for product Lehar Pepsi. It is said that i filmed in America using Americans American aircraft."

To all this Doordarshan cials plead not guilty and b the heavy handedness of the ernment. When they do try an commodate innovative i they are stumped by the min While the controller of cleared Citibank and Amer Express for advertising credit schemes, Mandi H scuttled the proposition.

Another Doordarshan which advertisers find most tating is that it rarely gives information on the availabil serials or other sponsorable grammes in time. Kuma Lintas, which last year wa biggest buyer of TV time, plains, "We were interested i US Open but it was put u sponsorship only a week b the event." DD officials once a plead helplessness. "There ar many lobbies working si taneously and everything is ject to arbitrary changes e now and then," says one exa rated official.

The next few months — Octob March — is the peak season for TV a tising, and despite its strange ways, D darshan is not likely to be short of bu for commercial time. Prime time is s and demand will continue to outstrip ply. As one advertising professional "There is little we can do except keep and grumble in private."

■ ANIROODHA MUKHE

What did Sigmund Freud
say to the Skypak Man?
"You move so fast... aren't you
afraid of the Freudian slip?"



We'll deliver. Wherever on earth. **SKYPAK** The worldwide couriers.
Skypak House, Off M. Vasanji Road, Marol, Andheri (E), Bombay 400 059.

Avenues SC 583 90R

PACKAGED MEALS

Instant foods, instant flops

There were great expectations. After the runaway success of Maggi Noodles, ready-to-eat foods were hailed as the two-minute solution to easing the burden of harried housewives and working people. A stream of branded products like Parle's Bisca noodles, Al Kabeer's *kebabs*, Venky's chicken nuggets and Tasty Bite Eatables' butter chickens and *dal makhanis* came in and it seemed that the age of the heat-and-eat meal, like the all-American TV dinner, had arrived in India. But, instead, the market for these functional foods, unquantifiable in volume and value, has just not grown in proportion to expectations. The indigestible fact: instant foods have been instant flops.

Bisca, test launched in Bombay, Pune and Nagpur in March 1989, was withdrawn six months later, after its positioning as a meal for office-goers went awry. Tasty Bite's products, though taken off the shelves only recently, faced trouble within three months of their debut in January 1989. "We soon began suffering losses of Rs.5 lakh per month," recalls Ravi Kiran Aggarwal, managing director of Tasty Bite Eatables Ltd.

Market not ready

What went wrong? "The domestic market is not yet ready for ready-to-eat foods," says Sanjiv Makhija, vice-president, production and administration, All Seasons Foods Ltd. He is glad that the 50 varieties of ready-to-eat *Mughlai*, Chinese and Indian meals, promised from their 30,000 tonnes per annum plant two years ago, are not yet on sale.

Pranesh Misra, general manager of Pathfinders, Lintas' research division, attributes the sluggish response to the deep-rooted conservatism of Indian women, who still prefer the satisfaction of cooking. "With more women working, lifestyles may have changed, but life values haven't," he says. Besides, with household help still available, convenience meals are not essential.

Consumers also find it hard to digest the fact that packaged meals can survive upto two years without refrigeration. They are unconvinced by manufacturers' claims that new technologies like blast freezing or individual quick freezing eliminate the need for preservatives. The health-conscious also question their nutritional value.

Advertising helps in changing consumer perceptions and expanding the market. "But," says Aggarwal of Tasty Bite, "we couldn't afford the intensive advertising and marketing support needed. Our budget was less than Rs.50 lakh." Only multinationals and established companies can afford mega ad budgets but they have surprisingly played safe, restricting their food foray to marketing conventional snacks, jams and sauces.

The high price of these convenience meals has also affected sales. Bisca cost Rs.6 for a 330 gm cup. Tasty Bite's products ranged between Rs.15 and 25 for 400 gm. For all its popularity, even when Maggi Noodles' price rose from Rs.3 to Rs.4, sales reportedly plummeted by 40 per cent. Aggarwal blames the high value-added taxes levied on packaged foods — taxes, packaging and dealer commissions apparently account for 54 per cent of the unit cost.

Dissatisfied consumers

Consumers were dissatisfied by the taste too. A Parle spokesman admits that consumers found the four Bisca flavours unappealing. Aggarwal, however, says th things went downhill too fast for them react to negative feedback on flavours. I spite a pre-launch market survey, he d covered that demand projections pioneering products are hypothetical a can prove wrong.

According to Misra, "Acceptance tak longer when innovations entail radi changes in habits. But if the convenien is highlighted they are better accepte As, for example, if processed foods a marketed as ready-to-cook rather th ready-to-eat. Included here would Venky's chicken products or even Godr *tomato puree* launched in May.

Such a positioning too, however, has exactly sent the sales graph soaring. "C sumer acceptance has been high, but p gress has been slow," admits Sudarshan Swamy, vice-president of Ve kateshwara Hatcheries Ltd. Protap R senior vice-president, marketing, God Soaps Ltd, says that while it is too early judge, sales have been disappointing. " been difficult to compete with fresh ton toes," he says. Many companies are n looking at other avenues of growth, su as institutional sales and exports.

But there are die-hard optimists w believe that the market will eventua take off. "There will be several phases b fore it stabilises," says Swamy. In prepa tion, Venky's is stepping up its marketi effort and will launch chicken loaf and *ryani* next month. Bisca too is being launched in a smaller 180 gm pack a repositioned as a snack, with an ad bud matching Maggi's (Rs 2 crore).

By mid-1991, Parle's will launch tw minute *pulaos* and b *yanis*. All Seasons' varieties are schedul for January 1991. D pending on the sponse, Godrej's *tom puree* will be market nationally next year when other new fo products should also out. Brooke Bond a Lipton's are also thre ening to enter th segment.

Egging them on a the long-term prospe in what is really an i dustry of tomorro Though no one is rea sure how soon tomorr will come.

■ INDIRA KHAN



The market for functional foods has not grown as expected

EAGLE PRESENTS THE CORPORATE GIF



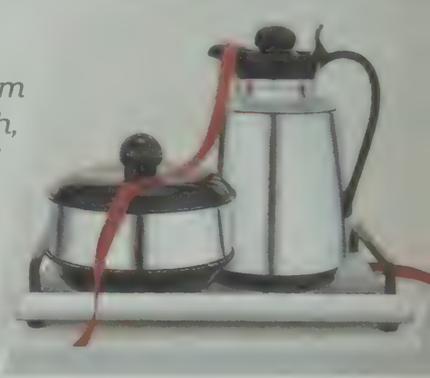
As a decision maker you must be lo for new gift ideas for consumer promotions, trade promotions, produ launches, sales conferences, festival complimentaries etc. Not to mention rewarding your own high fliers, and th on the verge of retirement.

What could be more fitting than a gift th and their families can use and cherish fo years?

Consider Eagle. You have a choice of vacuum flasks, jugs, thermoware and designer sets. Made to exacting quality standards. And available in a stunn range of designs, colours... and prices. From as low as Rs.40/- to Rs.850/-.

Consider Eagle. We can even have your company name and logo printed on the item of your choice. If your order is large enough, we'll even custom-design products for you! And deliver them at locations of your choice.

Consider Eagle. Write in for a free catalogue and further details to the Institutional Sales Manager.



EAGLE FLASK INDUSTRIES LTD.

Eagle Estate, Talegaon 410 507 (Dist. Pune) Maharashtra.
Tel.: 2321 to 2325, 2423, 2621, 2672 and 2681

There's a lot you can do with Eagle

Send me a copy of a free catalogue.

Name ..... Designation .....

Organisation ..... Tel.No. ..... Telex No. .....

Address .....

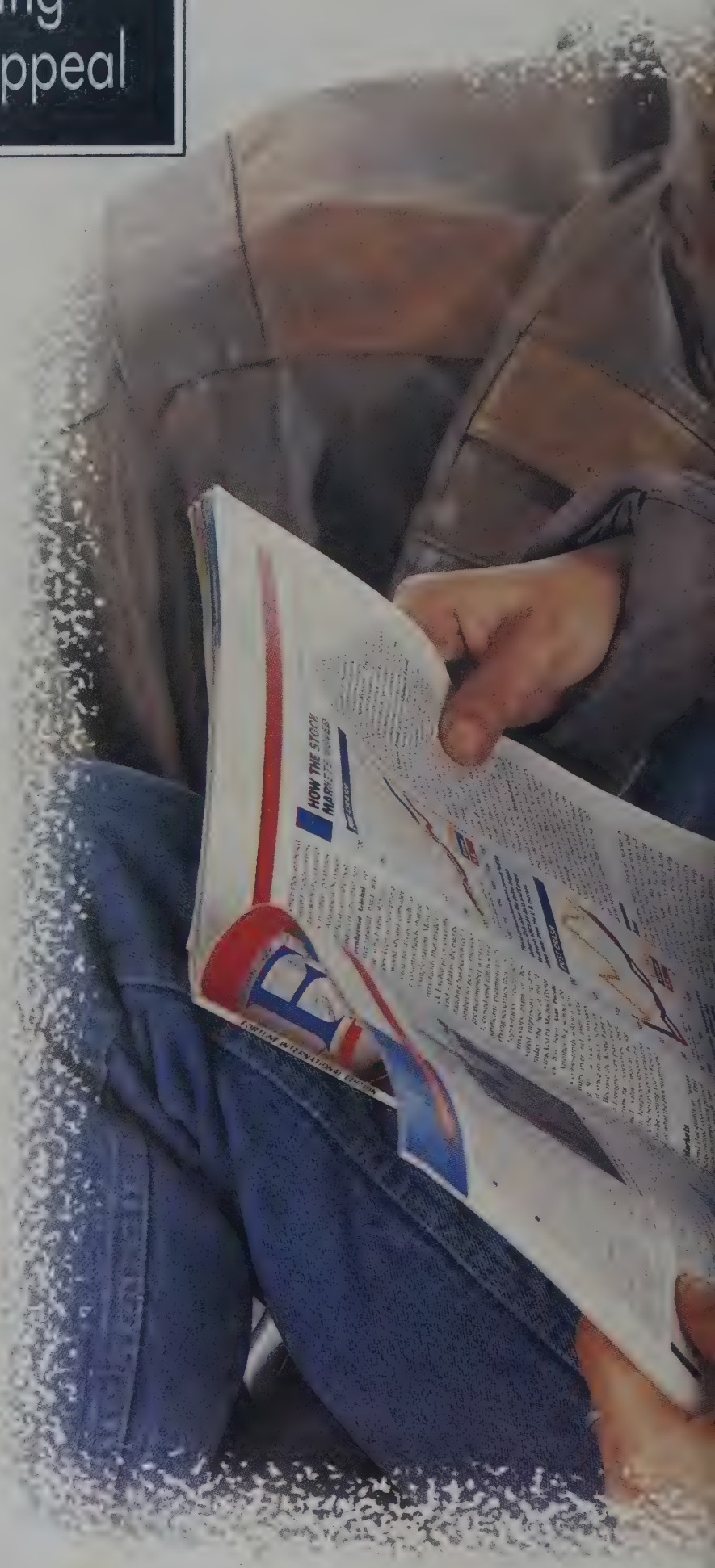
Brief purpose of gift .....

Approx.quantity reqd. ..... Price range Rs. ..... to Rs. .....

CLARION B E 29.284

By helping give leather a soft, supple, sensous feel, we're taking export markets by storm and appeal

For long, India's leather industry got a raw deal. It exported raw hides and glumly saw them turned into sleek pieces that fetched a fortune. Then SM Dyechem helped out with import substitute processing chemicals that gave leather sensous appeal. Today, the shoe is on the other foot. For Indian leather now fashions the look that is all the rage. **Critical involvement, core contributions.** We're intimately involved with several core industries:offering new generation inputs, import-substitute chemicals... helping in their export drive. We've tied up with 4 of Europe's technology leaders. Acquired know-how that compresses gestation periods. Turned start-up projects into profit-centres in record time. In the process, we've doubled our profits each and every year. And become one of the most sought after scrips in the stock market. **A chain reaction of successes.** Achievement breeds its own ambition. From our pinnacle in the speciality chemicals market, we're taking off in diverse directions. Our vision of the near future encompasses projects to manufacture Methanol, Pig Iron, Carbon Black and a world-class Beer. **On the anvil is an agro-based Petrochemicals project. To each of these projects we'll bring our unique touch of Value Multiplication. Spread the benefits... and share the rewards.**





High-value addition for high profitability. High-tech inputs for high-growth areas.

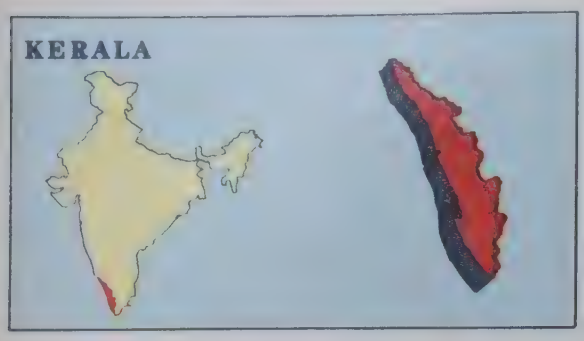
- Leather
- Textiles
- Man-made Fibres
- Animal Health Care
- Detergents and Toiletries
- Pharmaceuticals
- Processed Foods
- Pesticides
- Fertilisers
- Oilfield chemicals

SM DYECHEM

SUCCESS THROUGH VALUE MULTIPLICATION

SM Dyechem Ltd. SM House, 11, Sahakar Road, Vile Parle (E), Bombay 400 057.

Adfactors/SMDL/222



Taking tourism seriously

Just before Onam, Kerala's traditional harvest festival, pot-holed roads are hastily filled up, frayed cinema posters torn down, walls re-painted, buildings and trees illuminated, bars stocked up and shops packed with bargain counters. But this September, the week-long carnival-like celebration was more than a mere annual ritual. It signalled the Kerala government's commitment to tourism as an industry and its determination to promote this ever expanding sector with new-found professionalism.

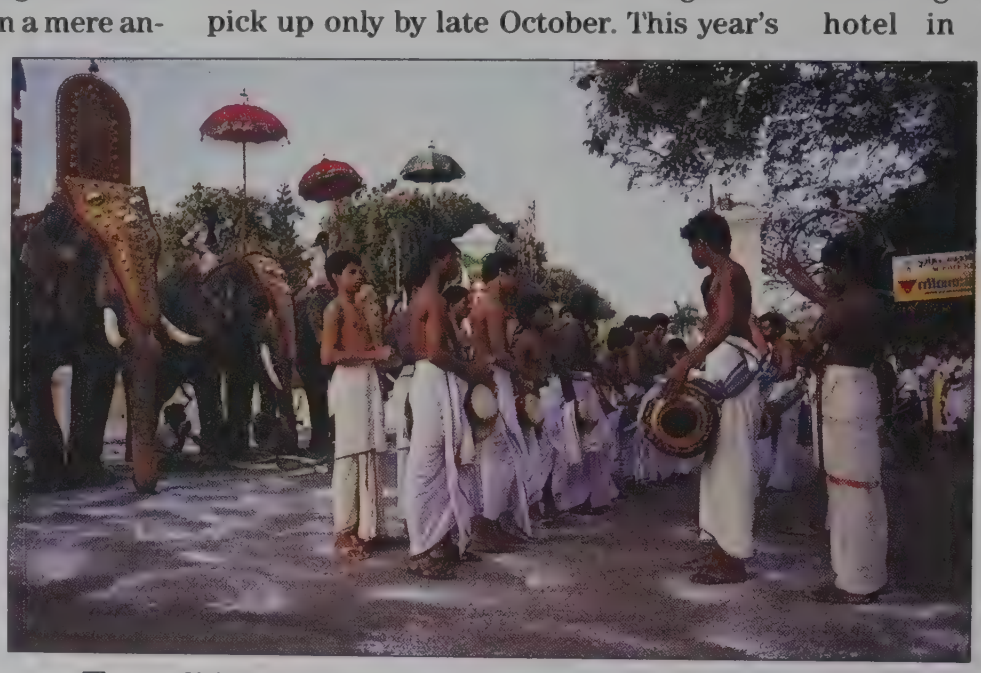
Not even the Gulf crisis, which brought great sorrow to thousands of Malayalee emigrant homes, could persuade the state government to abandon its Tourism Week celebrations, on which some Rs.20 to Rs.30 lakh are spent each year. Nor could the well-known fact that successive Tourism Weeks have done precious little to entice visitors. "We've not been very effective in selling Onam," admits K. Jayakumar, director, department of tourism, Kerala, "but this time domestic tourism will get a boost."

With Kashmir, the North-East and Sri Lanka eliminated from the foreign tourist's itinerary a large potential for tourism has been generated in Kerala. And Kerala Tourism, as the department of tourism is now styled, has been promoting this lush green state in a big way.

Ad campaign. But until now, the inflow of tourist traffic was not encouraging. In 1988-89, for instance, Kerala lured only 56,000 foreign tourists. This rose to 65,000 the following year. And the target for 1991 — the Visit India Year — is 100,000.

A visually striking ad campaign designed by ad agency Mudra, Cochin, for Kerala Tourism provides a further boost. According to Jayakumar, the department spent nearly Rs.10,000 on stamps alone in mailing out brochures in response to over 8,000 enquiries. These inquiries came via the response coupons that formed part of the print media campaign. The effects are likely to be long-standing. Explains T.K. Harshan, branch manager, Mudra, Cochin: "Festival advertising would also extend the tourist season — bringing it forward to August onwards — as also enlarge a tourist's period of stay from the current two to three days to approximately seven to ten days."

No one, though, is quite sure of the actual increase in tourist traffic to Kerala due to the state's promotional drive. However, hotels in Kovalam reported an unusual rise in occupancy just before the Nehru Trophy Boat Race in August. The state's normal tourist season begins to pick up only by late October. This year's minor aberration, claim hopeful tourism officials, could only have been the result of Kerala Tourism's advance promotion of the snake boat races.



The traditional pageantry of Onam: at the service of tourism

'God's own country'. But not everyone has been bowled by the slick hard-sell. Some foreign tourists have been turned off by a large glossy poster-folder with the headline: 'Announcing the creation of the Alps, Venice and Hawaii all in one land.' Even an amateur observer of the tourism business can guess that foreigners have had their fill of such conventional tourist locales. What they want, instead, is to savour the uniqueness of 'God's own country', as Kerala Tourism advertises the state.

Five years ago, when the then Congress (I)-led state government tried to bring the Tatas into the hotel industry, rulers — then in the opposition raised an outcry. Now, the Left cratic Front government of Kerala porter of the National Fro negotiating with Indian Hotels C Taj group of the Tatas) to set up a ritzy hotels in Kerala.

Private initiative. Over a period years, the Taj group will invest crore on tourism projects in the These investments will come thr joint venture with Tourist Resorts a subsidiary of the Kerala Tourism opment Corporation (KTDC). T group will have a 40 per cent stake equity of the new venture, the Kera ernment 20 per cent, and the rest placed with the public.

Also queueing up to enter Kera creasingly vibrant tourism scene a country's other famed hoteliers, inc Welcomgroup who will take over a hotel in Trivandrum. Says T akrishnan, managing tor of KTDC: "Thin now moving, at last."

He also displays healthy respect for t tomline. KTDC has ically been a not money-loser. Its fla Mascot Hotel in vandrum, loses abou lakh a year. Accord Balakrishnan, KTD now spend about crore over the next years to improve its ing properties and re earnest to its origina date to develop an mote tourism.

The Kerala government will soo clare its tourism policy. The intentio wipe away any misgivings about to — for instance, the perception that ism development and a green, healt vironment are incompatible. The statement will also make an open the private sector to jump onto the ism bandwagon. It may even includ jects exclusively for 'Gulf returnees

Fortunately, 'God's own country has some well-honed professionals helm of its tourism affairs. If they re open and receptive, and are able to nuisance-value politicians at bay, pe they will not need divine interventi make Kerala the destination o nineties.

■

K.G. K





THE PROFESSIONAL CAMERA EVEN BEGINNERS ARE FLIPPING OVER

With the new EOS 700QD, Canon technology hasn't just created another great addition to the award-winning EOS range. It's practically created two great cameras in one. The real beauty of this ingenious new EOS lies in a unique Reversible Shutter Dial that lets you flip from manual shutter speeds to simple Programmed Image Control in seconds flat. The end result are pictures and effects that will excite everyone from a first-time SLR user to a serious professional.

And since the Canon EOS 700QD is fully compatible with any of Canon's EF Lenses — from super wide-angle fish-eye to extra long telephoto, we really do mean serious.

Combining world-beating Canon standard features like an auto-retractable flash and EOS evaluative metering in a sleek, but sturdy body, the new EOS 700QD is a camera nobody can miss with. For a free colour brochure, complete and return the coupon today.

To: CANON HONGKONG TRADING CO. LTD.
Room 1101 Peninsula Centre, 67 Mody Road, Tsimshatsui East, Kowloon, Hong Kong

Name _____

Address _____

_____ Tel No. _____

Canon
EOS 700QD



Mahatta & Co. P.O. Box 492, 59 M Block, Con Circus, New Delhi – 1 Phone 3530008 **K. Prabhakar** 195, D.N. Road, 2nd Floor, Fort, Bombay 400 001. Phone 263827 **Deen Dayal Camera Repairers** M[illegible]

ARE YOUR CABLES SAFE?



ONLY UNISTAR®

WITH THE WIDEST RANGE OF CABLES OFFERS

FIRE PROTECTION

AVOID FIRE RISK AND LOSS OF LIFE, DUE TO SHORT CIRCUITS

Unistar cables are manufactured from quality inputs, under the supervision of an advanced quality assurance department, strictly adhering to Indian Standard and International Standards specifications. The range of cables includes:

FLAMUNI FR

(Flame Retardant Cables)
With reduced smoke and gas emission; will not propage flame in a fire situation.

FLAMUNI HF

(Halogen Free Low Smoke Cables)
Specifically designed, range of flame retardant miniature and control cables, offering low smoke and low corrosive gas emission — characteristics. Ideally suited for use with instrumentation and electronic equipment where exposure to corrosive gas generated in a cable fire may cause extensive corrosion damage to the delicate equipments installed.

FLAMUNI FS

(Fire Survival Cables)
Specially designed fire resistant cables for use in situations where it is essential to maintain emergency power during and after a fire to enable a controlled shutdown of process equipment and orderly evacuation of personnel.

Other Unistar Cables are:

- PEX Power Cabes LT/HT/EHT
- PILC Cables MIND/Draining
- PVC Power and Control Cables
- Elevator Cables PVC/Rubber
- Railway Signaling and Loco Cables
- Aircraft Wiring/Airfield Lighting Cables
- Mining Cables Fixed and Trailing
- High Temp. Silicone/Fluoroplastic Cables
- Oil Exploration Cables (Rig and Data — Logging)
- Welding Cables GP & HR
- Ship Wiring Cables
- Nuclear Radiation Resistant Cables
- DC HV Precipitator/X-Ray Cables
- High Frequency Cables
- Audio/Video/RF, TV, Microwave Cables
- Multi Pair Screened Instrumentation/Data Cables.



For further details please contact: Technical Service Department

UNIVERSAL CABLES LIMITED

P.O. Birla Vikas, Satna-485 005 (M.P.). Tel: 3561-65, Telex: 0766-202 UCL IN Telefax: (07672) 3333.

• **Bangalore:** 5, Palace Cross Road, Bangalore 560 020. Tel: 362674, 368179, Telex: 0845-2653 • **Baroda:** 'SATYAM' 1st Floor, Opp. State Bank India, Fatehgunj Baroda 390 002. Tel: 328994, Telex: 175-661 UCL IN Gram: 'UNISTAR' • **Bombay:** Industry House, 159, Churchgate Reclamation, Bombay 400 020. Tel: 202 6340, 202 3410, Telex: 011-83652 BRLA IN. Telefax: (022) 202 7854 • **Calcutta:** 27-B Camac Street, Calcutta 700 016. Tel: 444351, 446198. Telex: 021-7653 RMCO IN • **Dhanbad:** Rathore Mansion, Dhanbad. Tel: 5714. Gram: 'UNISTAR' • **Hyderabad:** Plot No. 120 Road No. 36, Jubilee Hills, Hyderabad 500 034. Tel:238218, Gram: 'UNISTAR' • **Madras:** 20, Greams Road, 1st floor, P.B. No. 737, Madras 600 006 Tel: 472427, 477551, Telex: 041-8428, Telefax: (044) 478581 • **New Delhi:** UCO Bank Bldg., Parliament Street, New Delhi 110 001 Phone: 3714851 3712750, 3711561, Telex: 031-62646, 031-62598, Fax: (011) 381561 • **Visakhapatnam:** 47-11-11, Dwarka Nagar, Opp. State Bank of India, Visakhapatnam 530 016. Tel: 55412. Gram: 'UNISTAR'

Also at Bhopal, Cochin, Goa, Gwalior, Lucknow, Nagpur, Pune, Raipur, Trivandrum, Varanasi.

TRON

ashing on regardless

Nambiar is the man who founded
ountry's first state electronics devel-
nt corporation. Not only did he sug-
he name — Keltron — he also left
d the unmistakable mark of his per-
ity on the corporation. Today, 17
later, Keltron is a multiproduct,
activity set up, the largest in Kerala's
c sector, dealing in several fields si-
aneously, and, in many ways like
iar himself, finding itself amidst
oversy.

61, Nambiar finds his position as
man of Keltron has outlived its
lness. Being centre-stage is a glory
Nambiar enjoys, but today he finds
lf up there for quite the wrong rea-
He has been charged by Keltron's
unions of trying to wrangle the mid-
an's role for his own Bangalore-
l company, Namtech Exports Pvt
a possible export deal with Russia.
hough Nambiar camps in Tri-
um to combat what he calls a "cam-
of slander", the current controversy
re than just washing dirty linen in
. It only reiterates how things have
ally changed at all in Keltron. Even
gh several chief executive officers
fficiated, the organisation is awash
groups of managers and employees
undo one another, scheming and
ng ousters, much in the manner of
e intrigues.

first decade

a fine first decade when it pioneered
anufacture of several industrial and
mer electronic equipment in the
ry, Keltron fell into bad times in the
ighties. Though sales last year
ed a record Rs.125 crore, accumu-
losses amounted to nearly Rs.18
Several reasons have been attrib-
o the corporation's present state of
s, the most commonly cited being
f political interference in the man-
ent by successive state governments.
tron also spread its manufacturing
y too wide without actually backing
with a strong marketing set up. The
ration has as many as 22 subsid-
that manufacture a dizzy array of
ment — from colour television sets
ffic control management systems,
, computerised trunk manual ex-
ge systems, power supply systems,

software for a wide variety of industrial applications etc. And surprisingly, despite all its troubles, product line expansions have continued. In the last one year alone Keltron signed a technology collaboration agreement with an Italian firm, Ansaldo, to manufacture equipment for speed control of industrial motors, one with Electronique Serge Dassault of France to make automatic fare collection and passenger control systems for the railways and with Brown Brothers and Co of UK to manufacture electronic ship steering control systems.

Nambiar's departure from Keltron in 1985 has proved disastrous for the corporation. According to state industry minister, K.R. Gouri, in the three years that followed, losses totalled Rs.12 crore. And in an attempt to set things right the Marxist government, in December last year, brought Nambiar back once again to head the corporation.

But for Nambiar, who spent the four years he was away from Kerala, first as chairman of Indian Telephone Industries Ltd (ITI) and then as secretary to the Department of Electronics (DoE), the current controversy could not have come at a worse time. Not only has it sullied his own professional image, it has wiped out the positive impact of his recent announcement of Keltron's first operating profit in a long time — Rs.50 lakh for 1989-90. It has also killed some of the prospects for the Namtech group, the small but growing group of companies (group turnover 1989-90: Rs.12 crore) that he and his son started in Bangalore during 1983-84.



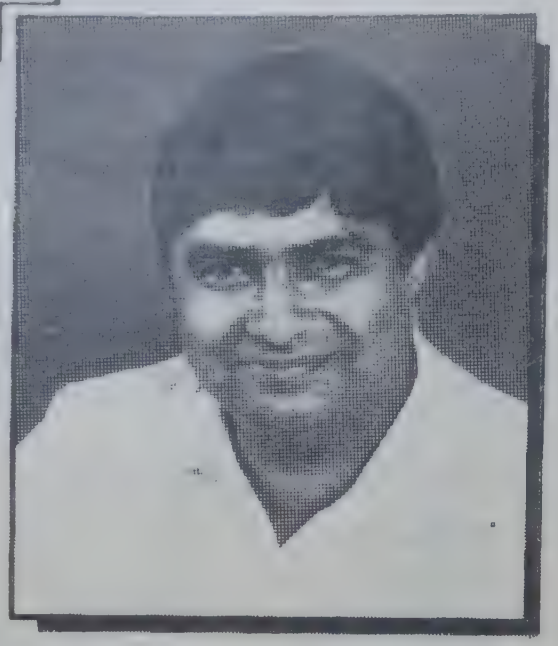
Nambiar: stress on result-oriented approach

Ambiguous nature of case

In the present rather ambiguous case, the Namtech connection relates to the possibility of exporting to Russia Keltron's distributed digital control systems. The charge against Keltron and the government of Kerala is that Namtech was forced



Assembling electronic goods on the shopfloor



Unity Steels Ltd.

Regd. Office : 413-15, PARADISE, OPP. COLLEGE,
SAYAJIGUNJ, BARODA-390 005, INDIA.

THE CHAIRMAN'S ADDRESS AT THE 7TH ANNUAL GENERAL MEETING HELD ON 10TH SEPTEMBER, 1990.

Dear Members,

I extend my hearty welcome to you all for attending the 7th Annual General Meeting of the Company. I am sure you must have gone through the Accounts for the year under review which I take as read.

The year under review has been an eventful one in the history of the company. The company has expanded capacity at its Halol Plant from 5,000 to 25,000 TPA and also acquired a Mini Steel Plant at Bhavnagar having installed capacity of 50,000 TPA from KEC International Ltd. in August, 1989. With help of both these, there was spectacular growth on the turnover and profit of the company. Turnover has jumped from Rs.8.13 Crores for 18 months to Rs.46.37 Crores for 15 months and the profit for the periods have been Rs.58.90 Lacs and Rs.191.38 Lacs. Encouraged with this result, your Directors have recommended this final dividend of 18% for the period over and above 10% already paid. The dividend will be payable on pro rata basis. Thus the total dividend for the period works out to 28% which is 22.4% on annualised basis compared to 18.6% on the previous year.

Our country has been facing perennial shortage of availability of indigenously produced steel inspite of the fact that the consumption per capita in the country is amongst the lowest in the world. The shortages have been persisting because of highly conservative policies of the Government of not allowing Private Sector to play major role for expanding the manufacturing base. However, the Government has now realised this important fact and finally decided to permit Private Sector to play an important role in the manufacturing of steel through primary and secondary routes both. The minimum installed capacity of individual plant which was earlier fixed at just 50,000 TPA has been raised to 2,50,000 TPA. This capacity is expected to be further revised upward to One Million Tonnes.

As you are all aware, our country's economy is growing at a very high fast rate, the consumption of steel also has increased very rapidly. The plans are for doubling steel output by end of this century from existing level of 15 Million Tonnes to 30 Million Tonnes. According to the planning commission, even with the estimated production level of 30 Million Tonnes by end of this century, there would still be availability gap of approximately 9 Million Tonnes.

In view of these facts, your Directors see very bright future in the coming years ahead.

The company has already received Letter of Intent for raising the capacity of Bhavnagar Plant from existing 50,000 Tonnes to 1,50,000 Tonnes and is further attempting to have the same revised to 2,50,000 Tonnes i.e. the minimum economic scale fixed by the Government. Your company proposes to initiate steps for implementing expansion to this capacity at an estimated cost of Rs.8 Crores. The Halol Plant is also undergoing major expansion and modernisation by importing and installing a Metal Refining Convertor from West Germany, a continuous slab casting plant and a Rolling Mill. The capital cost for all the three projects has been worked out at Rs.7.50 Crores. The company hopes to be able to put all these installations to operations by end of December, 1990. This will enable the company to have much higher value addition and profitability.

The company has been able to obtain registration from Government of India for manufacture of 6,20,000 MTs of Pig Iron at Sihore in Dist. Bhavnagar. Of this capacity your company is contemplating to set up a plant manufacturing 1,50,000 Tonnes of Pig Iron in the first phase, at a cost of Rs.85 Crores approximately. The necessary basic and detailed engineering, installing, commissioning and start-up of this plant has been assigned to MECON, Ranchi who have very long expertise in the field and also continuing technological assistance from Mansmann Demag of West Germany. To meet part cost of this project, your company may plan to come out with Equity or Debenture issue some time in the first quarter of 1991.

To be able to create in-house facility to consume the majority of steel produced by your company's plant, your Directors have also decided to put up a Forging Unit comprising of closed and open Die Forging facilities and accordingly a new company in the name and style of Unity Foundry Forge Limited has been framed to take up the project at a cost of Rs.22.50 Crores to be implemented in two phases. The company is in process of acquiring approximately 22 acres of land in GIDC Industrial Estate at Halol for implementing this project. The company will come out for Public Issue some time in November/December, 1990.

I wish to place my thanks to Banks, Shareholders, Depositors, Executives, staff and workers for their continued support and co-operation and look forward the same to continue in future.

Thank you!

A. S. BHATTAR
CHAIRMAN & MANAGING DIRECTOR

NOTE : This does not purport to be a record of the proceedings of the Annual General Meeting.

Where growth is a way of life.

scene at the very last stage of the ations with the Russians. The Kel- mployees Union (KEU) claims that al being a straightforward bipartite tween Keltron and Electromontaz, ssian government company manu- ng power stations, this required no ediary. Namtech was allowed entry agent which could actually bag the n order only to favour Nambiar. The further claims that the direct order have fetched Rs.200 crore but the ssion to Namtech, at 7.5 per cent whopping Rs.15 crore.

n the likelihood of the proposed vas exposed in *Malayala Man-*, the leading local vernacular daily, mediately created a flurry. Even tron Employees Association, affili- the CITU, which normally hesi- ruffle Marxist feathers felt obliged icly denounce the 'deal' and call for e. Both industries minister, K.R. who firmly supports Nambiar, and inister E.K. Nayanar have brushed he charges, explaining that no deal t been struck and that Namtech's ement would require government nce. Meanwhile, Nambiar himself the charges "totally misleading, alicious and initiated with an in- to cause aspersions on individuals ve a record of dedicated service to te and the country."

ever, despite the hullabaloo, the gainst Nambiar does not appear ly watertight. Says Nambiar: "The Soviet project was initiated by ch in July 1989 and not by Keltron. er, one cannot get a single order e Soviet Union in any field without nt." The correspondence between enon, Namtech's associate in Mo- Keltron and Electromontaz clearly es that the initiative for the order ginate from Raji Menon, Namtech's Moscow.

y in July 1989 Menon contacted ch Exports asking for proposals for of control and instrumentation s to Russia. Namtech, in turn, tel- e proposal to Keltron. At that time, ar was chairman only of Namtech, tron, though he had already been ted an honorary special adviser of ies to the government of Kerala. ember 1989 he returned to Keltron time chairman.) Keltron, in reply, ed Raji Menon that its offer for con- d instrumentation systems in- a 10 per cent commission on the ice.

Draft approval

At its 123rd annual general meeting on 21 August 1990, Keltron's board of directors approved the draft meant to appoint Namtech Exports as Keltron's representative for the export of its products for a period of four years. The draft agreement is a 'non-exclusive' one and Nambiar claims it covers only export of control and instrumentation systems. This, however, is not true. The draft agreement envisages export of "automatic control systems, consumer/professional electronic equipment and components", clearly a much wider and potentially more lucrative canvas.

The draft further stipulates a commission of 7.5 per cent; 3.5 per cent payable in rupees and the remaining 4 per cent in rupees or foreign currencies abroad. The hitch, however, lay elsewhere. The previous board meeting of 9 May had proposed that Keltron appoint agents "where necessary, who have close interaction with the customers and who will be able to help us in securing orders. Such agents are understood to be paid commission of up to 1.5 per cent of the order value which is payable only on our successfully getting the order."

By subsequently hiking the commission rate to 7.5 per cent, Keltron was clearly trying to favour Nambiar's company, his critics charged. Nambiar tackled this with his own defence, "When this matter was brought to the board, I was not present at the board meeting, I reached there almost at the conclusion. As soon as I arrived I mentioned that I was the chairman of Namtech and therefore will not take part in the discussion. I had already declared this at the time of assuming part time chairmanship of Keltron. In fact, this non-exclusive agreement was brought to the board only to comply with the company law provisions. The board does not generally consider the appointment of distributors and agents which is the normal part of day to day functions of the management."

As the controversy snowballs, several strong biased opinions come into focus. Says V.J. Joseph, general secretary, Keltron Employees Union, "Nambiar did a lot for Keltron at one time but now he is a liability." Nambiar, who is again on the defensive says he was only trying to help Keltron through Namtech, and fumes, "Anyway, this is our last entanglement with Keltron. We should never have had any dealing with Keltron."

Small wonder then that his style of functioning has won Nambiar more enemies than friends. A brash temperament and an often brusque approach are attributes one can get away with in the private sector, but not in the bureaucrat-ridden public sector. Nambiar, though, is not bothered, "My style of functioning is basically result-oriented. I have created the biggest state electronics development corporation. And I will work in the same manner whether I'm in the private sector or the public." But, the continuing problems



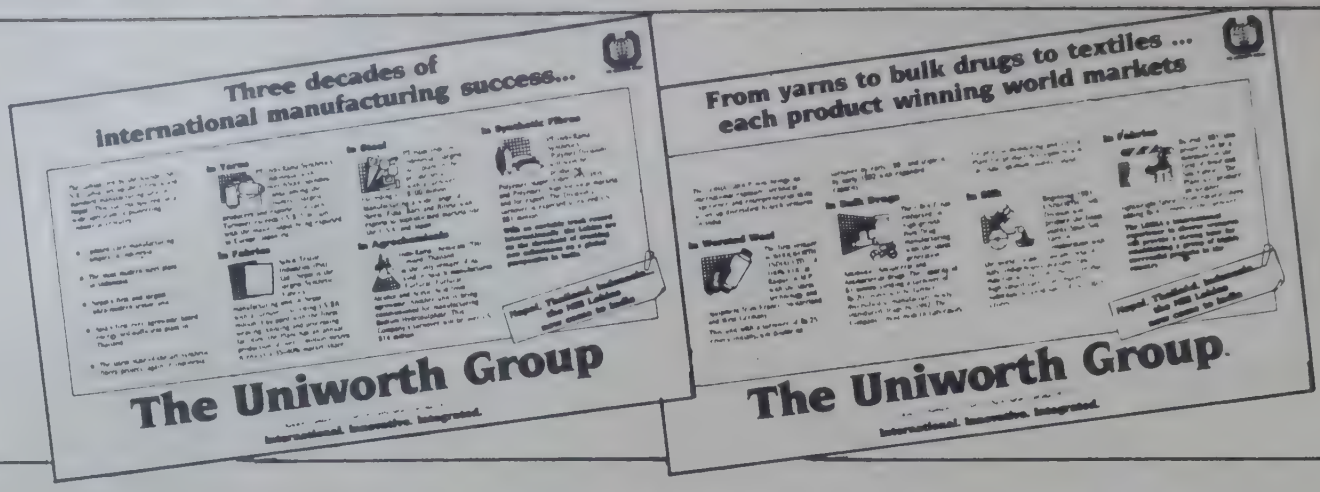
Women being trained for various functions

in Keltron have changed Nambiar's outlook. Says he, "At one time I was a champion of the public sector, but today, I believe there can be no industrialisation without private sector involvement."

As with much else in Kerala, the Keltron-Namtech scam is not without its political undercurrents. For the Congress (I)-led Keltron Employees Union this provides powerful ammunition with which to hunt the Left Democratic Front government of Kerala and particularly its leading light, the CPM. Within the CPM itself, there is opposition to industries minister, Gouri's approach to promoting industrialisation in Kerala by roping in the private sector.

As Keltron prepares to touch a sales turnover of Rs.470 crore by the end of the Eighth Plan, a scam is the last straw on this camel's back. Keltron may now be Nambiar's burden (or vice versa) but unless the bad taste that the current controversy leaves behind is quickly removed, the credibility of both will be permanently tarnished.

■ K.G. KUMAR



THE UNIWORTH GROUP

An opportunity to invest in the Uniworth Group's first venture in India

HIGHLIGHTS

- ☆ Promoted by the UNIWORTH GROUP of the NRI LOHIAS having more than 40 years of experience in Textile manufacturing.
- ☆ State-of-the-art manufacturing and quality control equipment imported from West Germany, France and Switzerland to produce quality acceptable to the European Market.
- ☆ No gestation period – production already commenced.
- ☆ Assured markets – rising global demand for Worsted Wool / Blended Spun Yarn.
- ☆ Spun Silk Yarn Project under implementation.
- ☆ Total Income Tax Exemption to the Company under 10-B/80 HHC as applicable on Export Profits.
- ☆ 88A, 80L, 80M and Wealth Tax benefits.
- ☆ Equity participation by SBI Mutual Fund, Canbank Mutual Fund, Indian Bank Mutual Fund and Madhya Pradesh Audyogik Vikas Nigam Limited.
- ☆ Listing at Calcutta, Bombay, Delhi, Ahmedabad and Bangalore Stock Exchanges.

If company do not receive the minimum subscription of 90% of the issued amount, the entire subscription will be refunded to the applicants within 90 days from the closure of this issue. If there is a delay in refund of such amount by more than 10 days, company will pay interest at the rate of 15% per annum for the delayed period.

The Company's intention to retain the oversubscription to the extent of 15% of the Issue has been noted by the Controller of Capital Issues.

Public Issue of 65,00,000 Equity Shares of Rs.10/- each for cash at par

Issue opens on 9th October, 1990

Woolworth (India) Limited

A 100% Export Oriented Unit
to manufacture premium Worsted Wool Spun Yarn

Rawdon Chambers, 11-A Sarojini Naidu Sarani, Calcutta 700 017

Lead Managers to the Issue

The Industrial Credit and Investment Corporation of India Limited
Merchant Banking Division
Bombay

SBI Capital Markets Ltd.
Calcutta

Co-Managers to the Issue

CANBANK FINANCIAL SERVICES LTD
(A wholly owned subsidiary of Canara Bank)
Calcutta

United Bank of India
Merchant Banking Bureau
Calcutta

ANZ Grindlays Bank
Merchant Banking Division
Calcutta

Allahabad Bank
Merchant Banking Bureau
Calcutta

HongkongBank
Merchant Banking Division
Calcutta

BOI Finance Ltd.
(Wholly owned by Bank of India)
Bombay

Indbank Merchant Banking Services Ltd.
(Wholly owned by Indian Bank)
Bombay

State Bank of Mysore
Merchant Banking Division
Calcutta

MAN UNIFICATION

he rebirth of a nation

time of change in Potsdam, the sub-mmediately south of Berlin, in what ormerly the German Democratic Re-c. The conference room in the Ce-hof, the palace built by Kaiser lm II, has been burned down. In this on 2 August 1945 Stalin, Churchill Roosevelt decided the division of any.

all probability, members of one of any's far right organisations tried to the room to destroy this reminder of ccupation of Germany. Harsh though

pation. Its articles, which formally end the second world war, extinguish the extraordinary rights of the allies in Germany.

Though Nato and Soviet troops will continue to remain in Germany — the last Soviet soldier will leave in 1994, till which time the Germans have "requested" the allied troops to remain — the withdrawals have not come cheap. Bonn has committed the equivalent of about $10 billion to Moscow to aid the Soviet withdrawal.

The treaty sets the stage for the most significant event in postwar Europe — the



ng the Two-plus-Four treaty: the end of occupation

y sound, till the 'Two-plus-Four' was signed on 12 September, Ger-remained an occupied country. Till ilitary personnel and hardware cut-began a year ago, thousands of s — American, Soviet, French and an — were stationed on German soil West Berlin remained under the *de* ontrol of the allies.

e most visible sign of foreign control hat no German airline had landing in West Berlin — the former allied rs controlled the air corridors into vided city. Less evident was that the retained the right to make arrests in any and even ban political parties or papers in the city.

signing of the Two (West and East any) plus Four (the US, Britain, e and the Soviet Union) treaty put d to the irritants of 45 years of occu-

reunification of Germany on 3 October 1990. As imperial Germany was at the end of the last century, the country will once again emerge a superpower. The new Germany, with a population of 80 million and a GNP of DM 1.2 trillion, will become the dominant economic power of Europe, and a global superpower in a multipolar world together with Japan, which was equally shattered in 1945.

To the world, the Berlin Wall was a symbol of the unnatural division of the two Germanys. Today, it is hard to believe that the Wall ever existed. So much of it has already been torn down; at one remaining stretch, hammers and chisels are available on hire if you want to have a bash at the already battered mortar. All along its length near Checkpoint Charlie, the most famous of the erstwhile crossings into East Berlin, vendors sell fragments of the wall for 10 to 15 Deutsche marks.

Somehow, the sale of these pieces mocks the deaths of hundreds of refugees from the east, who fell at the Wall in their flight across the Iron Curtain, and the virtual imprisonment of the several million East Germans after its hasty erection in 1961. In the euphoria of reunification, the horrors of the division seem no more than a bad dream. But the impact of over four decades of communist rule on East Germany is all too palpable.

West Berlin, like most cities in West Germany, is vibrant, elegant and almost overflowing with prosperity. It does have its seedy side though, especially the quintessentially inner city Kreuzberg district, in which the bulk of the Turkish *gastarbietern* ("guest workers") live, sharing space in the ghetto-like blocks with young, unemployed German squatters.

East wasn't Eden

But in East Berlin, even the poshest areas have a pallid appearance. True, the former communist government has done a marvellous job of restoring the architectural masterpieces destroyed in the war's saturation bombing. Yet, the huge and drab apartment blocks and the forbidding Stalinist facades of administration buildings are concrete evocations of the harsh, repressive regime that East Germany laboured under.

Language is the best indicator of the cloistered atmosphere. Every few years, in both the west and east, a German dictionary was compiled separately. The West German edition had almost twice the number of the entries its eastern counterpart did. In the west the language was constantly renewed as it absorbed words like "joint-venture". In the east, the language remained unchanged, almost exactly as it was spoken over 40 years ago. This was in line with the aim of the former regime — to keep out capitalist contamination and strengthen its almost Orwellian grip on society.

The East German regime's most damaging weakness was its desire to over-centralise and build hierarchical structures at the expense of individual initiative. All institutions, excluding commercial ones, were extensions of the state. But there was no concept of cost accounting or efficiency. Curiously for a centrally planned economy, the maintenance of statistics was both inadequate and dishonest.

This is all too evident in the functioning of the Kombinates, the industrial conglomerates which dominated different in-

ICFAI's New Course

Finance for Non-Financial Executives

ICFAI

The Institute of Chartered Financial Analysts of India has over 13,000 candidates on its rolls for the CFA Programme, which is being offered in collaboration with The Institute of Chartered Financial Analysts, USA. Encouraged by this phenomenal success, the Institute launched a new course: The DBF Programme meant for non-financial executives.

The DBF Programme

The DBF Programme (Diploma in Basic Finance) is designed to help Business Executives get a good insight into Finance through structured self-study at home. The Programme covers the essentials of finance through a mix of four core and two elective modules.

Programme Coverage

Core Modules

- Financial Statement Analysis
- Management Accounting & Control
- Working Capital Management
- Project Finance & Appraisal

Elective Modules (any two)

- Marketing Finance
- Production Finance
- Project Management
- Financial Services
- Personal Finance & Investments
- Management Control & Reporting System
- Financial Management in Public Enterprises

Study Material

The study material includes a detailed study plan, easy-to-follow lessons, reference books, self evaluation assignments and exercises. The study material has been carefully developed with the assistance of well-known academicians and professionals for use by non-financial executives.

Duration

Individual candidates can set their own pace of study. Each module can be typically completed in 3-4 weeks. The course can be completed in 6-8 months.

Eligibility

Executives, students, self-employed persons, entrepreneurs, bank and insurance executives, government officers, defence personnel, teachers and others without a formal professional/academic qualification in finance. **The Institute welcomes sponsorship of candidates from employers.**

Diploma

The diploma will be awarded to all candidates declared successful at the examinations to be conducted twice a year, in January and July at 25 centres all over India.

Corporate Sponsors

Over 1,000 candidates have already joined The DBF Programme. Reputed organisations such as Voltas, ITC, Berger Paints, India Cements, Abbott Laboratories, Hindustan Ciba-Geigy, Mather & Platt, Asian Hotels, Madura Coats, HCL, CMC etc., have sponsored their executives.

Prospectus

For Prospectus and Application form, please write to the Administrative Officer (DBF), giving your complete postal address with pincode, enclosing a demand draft for Rs. 50, drawn in favour of the DBF Programme A/c, ICFAI, payable at Hyderabad.

THE INSTITUTE OF CHARTERED FINANCIAL ANALYSTS OF INDIA

THE INSTITUTE OF CHARTERED FINANCIAL ANALYSTS OF INDIA — cfa — WISDOM WITH KNOWLEDGE

Road No.3, Banjara Hills,
Hyderabad - 500 034.
Tel : 229062, 229286.
Telex : 0425-6065 CFA IN Grams : ICFAI
Fax : 0091-(842)-229107

Imageads/IC

ry sectors. "They were grouped and ouped so many times that it is difficult ake out what exactly happened," says ard Molitor, director general for eco- ic policy in the federal ministry for omics. The German Democratic Re- ic developed an economy which was ndustrialised. It manufactured 8 mil- tonnes of steel a year but services — anking, finance and trading — were ully underdeveloped.

slow, too fast, too old

existing East German industry faces roblems. The bulk of industry is tech- gically antediluvian and fearfully manned. Anyone who wanted a job in GDR could get one, regardless of her companies needed them or not. such a burden most companies are able in a market economy. After the pse of the communist party, the GDR rnment set up a body called the Treu- (trust) to take over and later pri- e the Kombinates. Faced with this ting task, the Treuhand has been ked by controversy between those want to speed up and those who want n in the pace of privatisation.

ose who oppose a quick transition ar- hat the social costs would be too high. ady, according to Molitor, 360,000 ers in East Germany are unemployed. her 1.7 million are on "short time" temporary workers who work 25 s and less for whom the wage bill is d up by the government. So 2 million he country's 18 million are ployed.

r a society to which unemployment alien, joblessness is now a severe a. "People still leave home to pre- to their neighbours that they still a job," says a West German official. nployment has also made the posi- f migrant workers in East Germany able. Curiously, though most com- s were overmanned there was a la- shortage. Workers were brought in Angola, Mozambique and Vietnam. , as unemployment increases, this migrant population is being at- d and reviled.

ough these threaten to be intractable ems, the West German government ns committed to privatisation. Still, German companies are not exactly ng in to take over their former com- s. "There are some units in which it vorth investing even 1 DM," says Ger- Cromme, chairman of the executive l of Fried Krupp GmbH.



Young Germans and the breached Wall: one volk

Most industrialists expect at least half the East German companies to go belly up. And Bonn will have to support those unemployed by this collapse. West Germany, which has a highly developed social security system, already spends almost a third of its GNP on social payments.

Union is expensive

Besides welfare expenditure, major infrastructural investment is required — for roads, railways (which alone needs DM 100 billion) and telephones. Total official expenditure for reunification is said to be in the region of DM 200 billion over just the next two years.

The opposition Social Democratic Party (SPD), and especially its leader, Oskar Lafontaine, has charged that chancellor Helmut Kohl is fudging his figures. Lafontaine, who will run against Kohl in united Germany's first election on 2 December, alleges that the actual cost will be substantially higher and will require heavy new taxes.

Kohl, who had all along denied the necessity of any such move, now publicly admits the possibility. But his popularity index is so high that it has had no impact on his appeal. Part of the chancellor's charm no doubt owes much to his being in office at the right time — presiding over reunification. What adds to it is that the West German economy is booming.

Apprehension about the stronger Germany's role in Europe is considerable, notably in Paris and London. But Kohl has repeatedly reiterated that his commitment to European integration remains undiminished.

The new Germany's attention will also be drawn to Eastern Europe, its traditional market, and also to the Soviet Union after the Shatalin plan. Meanwhile, Bonn maintains that it will seek to increase trade with developing countries. Total trade between the Federal Republic and India in 1988 was DM 4,069 million — Indian exports worth DM 1,820 million and imports, DM 2,249 million.

Trade between India and East Germany was much less. Conducted under a rupee trade agreement, total trade between the two countries was Rs.420 crore in 1989. The trade plan for 1990 was set at Rs.670 crore, with India's exports projected at Rs.330 crore and imports at Rs.340 crore. The major items to be exported from India included deoiled cakes, shoe uppers and cotton textiles and garments. Imports were mainly fertilisers, newsprint, inorganic chemicals, diesel generating sets and printing equipment.

After this year rupee trade will end. Kailash Sharma, India's ambassador to the GDR, urges Indian exporters to be more active. With the breakdown of the holding companies, Indian exporters will have to deal with a number of smaller companies. East Germany will also be more market driven, so Indian suppliers will have to match the buyers' demands.

India figures, just about

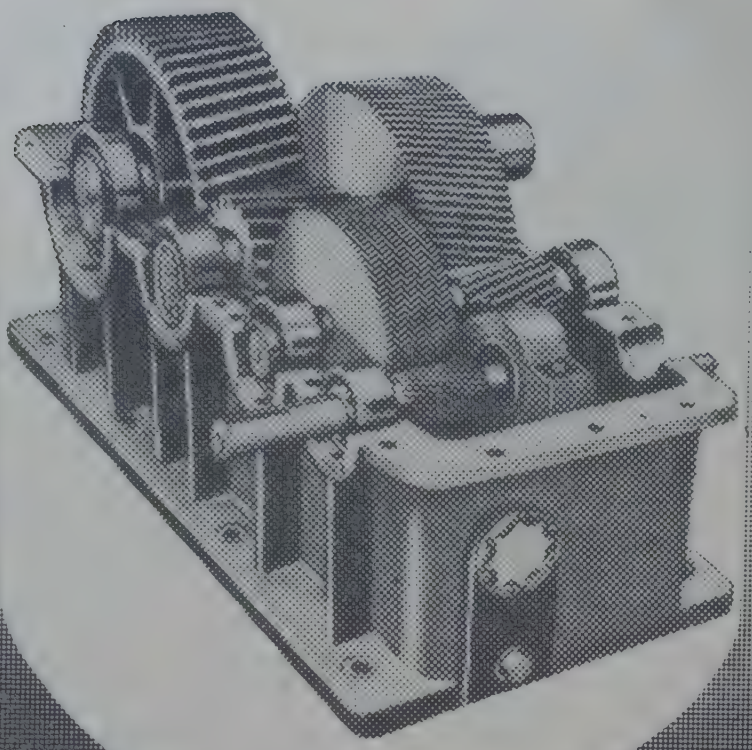
Sharma doesn't expect problems with traditional exports like deoiled cakes, but in areas like garments, new channels of distribution will have to be found. However, what is worrying, after talking to representatives of large West German companies like Krupp, Mannesman Demag and Bosch, is the extremely low priority that India is accorded in their investment plans.

Their reasons are the sluggishness of the bureaucracy. With the opening up of new markets in East Europe and the move in the Soviet Union to begin the shift to a market economy, their attention is clearly elsewhere.

As unification day draws closer, Germany is clearly introspective. To most, the crucial question now is: what shape will the new Germany take? One perceptive German bureaucrat pointed out that not all unifications are successful. In Italy, for example, the south remained backward over a century after the state was established. But on 3 October, all over Germany, these considerations will be just academic.

■ EAPEN THOMAS

Matchless



Quality

Backed by over thirty years of continuous research and developme

ALLEN-MAX

HELICAL SPEED REDUC

Manufactured with state-of-the-art technology. Surpass all other competitors in technical features and H.P. rating.

naw

NEW ALLENBERRY WORKS
PROP. DEEPAK INDUSTRIES LTD.
62, HAZRA ROAD, CALCUTTA 700 019
PHONE:753651 (3 LINES)
GRAM: GEARBOX
TELEX: 21-2239 NAW IN. FAX: 033-289382

BOMBAY OFFICE •
Phone: 23-0232, 23-1808
Gram: ALLENBERRY
Telex: 11-5662 NAWB

BANGALORE OFFICE •
Phone: 56-4759, Gram: GE

NEW DELHI OFFICE •
Phone: 33-21646, 33-20516
33-21934, Gram. ALLROYD
Telex: 3161017 NAWD

SECUNDERABAD OFFICE
Phone : 82-5210

KANPUR OFFICE :
Phone : 21-0331 Gram : OF

MADRAS OFFICE :
Phone : 52-7721, Gram : A
Telex : 41-6963 NAW

Pioneer and Leader in Gear Technology

on global affairs prepared for
Business India

The World Paper

ENVIRONMENTAL ACCOUNTING

Greening the profit motive

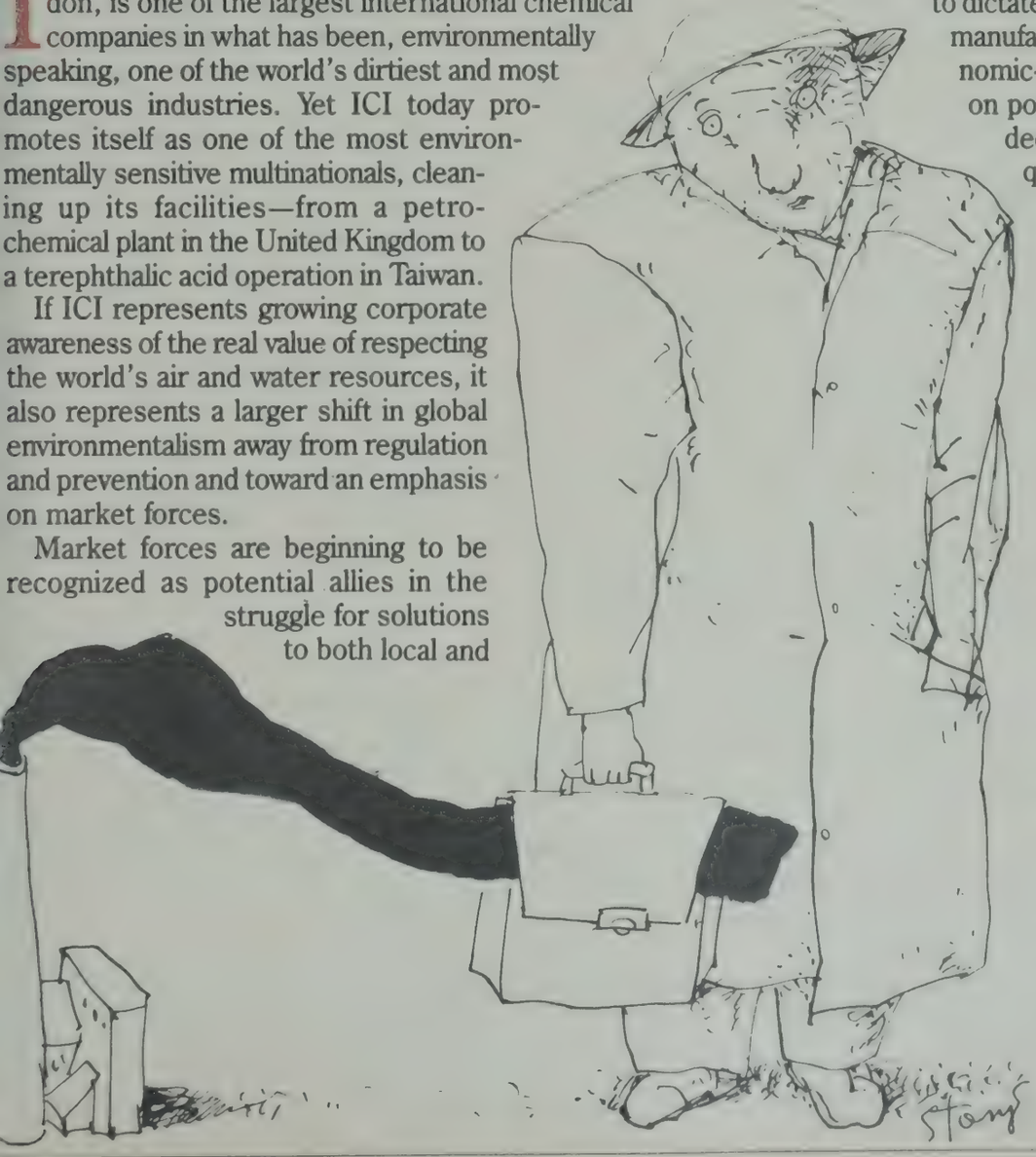
BY ROBERT STAVINS
in Cambridge, USA

Two powerful forces—nature and the marketplace—are beginning to find common ground. The pioneers of environmentalism are seeking ways to use market forces to maintain the proper balance between economic development and environmental protection. Environmentalists have shifted their focus from conservation and preservation to regulatory emphasis—and now to the present concern of environmental accounting.

Imperial Chemical Industries, headquartered in London, is one of the largest international chemical companies in what has been, environmentally speaking, one of the world's dirtiest and most dangerous industries. Yet ICI today promotes itself as one of the most environmentally sensitive multinationals, cleaning up its facilities—from a petrochemical plant in the United Kingdom to a terephthalic acid operation in Taiwan.

If ICI represents growing corporate awareness of the real value of respecting the world's air and water resources, it also represents a larger shift in global environmentalism away from regulation and prevention and toward an emphasis on market forces.

Market forces are beginning to be recognized as potential allies in the struggle for solutions to both local and global environmental problems. Rather than attempting to dictate how products should be made or manufacturing processes designed, economic-incentive systems impose a cost on polluting activities, leaving firms to decide how to achieve or exceed required levels of protection. Market forces will drive these decisions toward least-cost solutions.



Some of the most promising incentive-based policies include imposing charges on pollution, allowing firms to trade emission permits, removing market barriers and eliminating government subsidies.

• **Pollution charges**. Charge systems impose a fee or tax on pollution, not simply on pollution-generating activities. Hence, it pays firms to reduce pollution (up to the point where the cost of pollution control is equal to the pollution tax rate). The result is that the total costs of pollution control are minimized.

In West Germany, a water pollution charge system has been in place since 1981. Taxing carbon emissions from utilities is a potential use of pollution charges.

Continued on next page

Continued from previous page

• **Tradable permit systems.** One problem with emission charge systems is that governments do not know in advance what level of cleanup will result from any given charge. Tradable permit systems eliminate this particular problem and achieve the same cost-minimizing allocation of the pollution-control burden. Under a tradable permit system, the allowable overall level of pollution is established and then allotted in the form of permits among firms. Firms that keep emission levels below the allotted level may sell or lease their surplus permits to other firms or use them to offset excess emissions in other parts of their own facilities.

The primary application of tradable permits has been in the United States (see *California's pollution market*).

• **Deposit-refund systems.** Under this approach, surcharges are paid when potentially polluting products are purchased. When the product's consumers or users return the product to an approved center for recycling or proper disposal, their deposit is refunded. This approach has already been used to reduce littering of beverage containers and stem the flow of solid waste to costly landfills.

Deposit-refund systems can als used for hazardous waste that ca easily stored in containers, as well a other forms of solid waste. Lead batteries, used motor oil and vehicle are obvious candidates. Denmark such a plan for mercury and cadm batteries. Norway and Sweden successful deposit-refund system car hulks.

• **Removing market barriers** some cases, substantial gains ca made in environmental protection s ly by removing existing governm mandated barriers to market acti For example, measures that facil the voluntary exchange of water ri can promote more efficient use of sc water supplies while curbing the n for expensive and environment disruptive dams and reservoirs.

• **Eliminating government s sidies.** In practice, many governm subsidies promote inefficient and vironmentally unsound developm One example is below-cost timber s by the US Forest Service which does recover the full cost of making tim available. This has led to excessive ber cutting which has, in turn, seve damaged natural habitats and wa sheds. Another example is agricult price-support systems, common in n nations, that are both economically efficient and environmentally disrupt

As the decade of the 1990s beg serious attention is being given political leaders in Europe and No America to promising market-orien policies.

Within the Soviet Union, the Cen Institute of Mathematics and Econon of the Academy of Sciences has vocated the use of pollution taxes Poland and Czechoslovakia, governm officials have endorsed a variety market-oriented approaches to help dress air and water pollution proble

Market-oriented policies, howe do not provide all the answers. The b set of policies may well involve a mi market and regulatory process Perhaps with the push-pull effect regulations and economic incenti more companies will be motivated, ICI, to become profitable environm talists.♦

Dr. Stavins, economist and environmental policy consultant, is an assistant professor a Harvard University's John F. Kennedy Scho of Government.



EASTERN EUROPE POLICY IN THE MAKING:
FREE MARKET SEED IN SOCIALIST SOIL

- *What reform must take priority in the transition of the region's economies?*
- *What preconditions must be met to achieve a convertible currency?*
- *Are newly elected governments of Eastern Europe walking a minefield as they move from a centralized to a more democratized government?*
- *What are the risks and rewards of Western investment in Eastern Europe?*

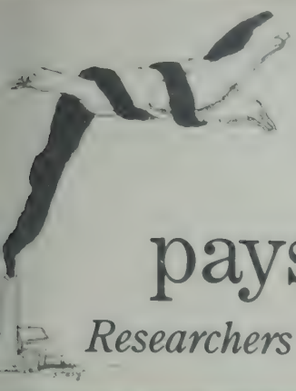
These most urgent questions of the new decade will be addressed at the
Philadelphia Stock Exchange 200th Anniversary Symposium
October 7-9, 1990, Four Seasons Hotel, Philadelphia, USA

Please send me program details and registration information.

Name _____
Position _____
Firm _____
Address _____
_____
Phone _____

PHLX Since 1790

Contact: Gina Evangelista, Philadelphia Stock Exchange Bldg, 1900 Market St. Philadelphia, PA 19103-3584 Tel: 215.496.6714 Fax 215.496.5653



Tapping Amazon's bounty pays off for villagers

Researchers say harvest rainforest, don't exploit it

By Carlos Castilho
in Rio de Janeiro, Brazil

OST BRAZILIANS HAVE never rd of the island of Combu. But in the azon this small community of 600 in- itants is known as a model of coex- nce with the Amazonian jungle, able of harvesting its bounty without troying the environment.

n Combu, they have transformed *rativismo* (the sale of products from forest) into such a lucrative in- ne source that, today, each family es an average monthly income of $3,300—twice as much as the rage Brazilian.

Research conducted on the island of mbu has confirmed the theories of anists Charles Peters and Alwyn ntry, as well as the work of econo- t Robert Mendelsohn. They believe environmentally sound exploitation he Amazon jungle could become a re lucrative enterprise than timber ing for fine wood or raising cattle. e findings of the three experts were lished in the scientific magazine *ure* and challenged many traditional cepts about the exploitation of the est tropical forest in the world.

he residents of Combu make their g from the forest, mainly from har- ing rubber, cocoa and acai, the pro- tein-rich fruit of palm trees that is a staple of the Amazonian diet. But Christopher Uhl, a biologist from the University of Pennsylvania who has been working for six years in the Amazonian state of Para, discovered something amazing.

"In an area of 6.25 square meters cleared from the jungle (for cattle)," says Uhl, "you can only produce a 125 gram hamburger, with 0.01 percent protein. That same area (could also yield) a Brazil nut tree, which produces 30 kilos of nuts with 21 percent protein." Uhl's studies indicate conventional agriculture and cattle raising, which require wholesale clearing of vast stretches of forest, are the least economical activities in the Amazon jungle.

According to Mendelsohn, a hectare of virgin forest has an economic potential three times larger than that same area cleared and transformed into pastures for cattle.

Research conducted in Iquitos, in the Peruvian Amazon, revealed that in one hectare of jungle there were 15 varieties of fruits and other products with an estimated worth of $8,500. If all the trees in the same hectare were felled, the resulting wood would be worth about $1,000; if the land were used for grazing cattle, the owner could expect to earn about $2,900.

Some of the Brazilian government's economic practices in the Amazon defy scientific logic. Government subsidies for agriculture, for example, alter the price calculation, creating an unrealistic situation. Researcher Ronald Bowder concluded that for every ton of beef produced with Amazonian grass, the Brazilian government pays $4,000 in subsidies, four times more than the price of a ton of imported meat.

These predatory practices have already caused the destruction of 394,700 square kilometers of the Amazon, an area larger than the territory of a united Germany and nearly 10 percent of the 4.12 million square kilometers originally covered by the Amazon jungle. Every year 35,000 square kilometers are cleared, and at this pace the jungle will be totally destroyed in 106 years.

Nearly one thousand experts are working to save the green shawl that covers one half of the Brazilian territory. But regardless of this enormous brain mobilization—supported by computers, satellites and resources that add up to almost $50 million—scientists admit that the only ones who have already tested a formula to preserve the jungle by turning it into a lucrative business are the inhabitants of this so-called "green hell."

Like the inhabitants of the island of Combu, the rubber tappers of the state of Acre were also able to stop the clearing of the forest through the creation of cooperatives for *extrativismo*. These enterprises have flourished and angered those interested in clearing the jungle. But the rubber tappers have prevailed with the use of non-violent tactics. Right now, 3,700 families, some 20,000 people, live in 17 *estrativista* reservations covering nearly 2.5 million hectares of virgin forest.

So far, there are no studies like the one undertaken on the island of Combu for the *extrativista* reservations of Acre, but for now it seems the rubber tappers are happy with their efforts, and able to satisfy their basic needs without depending on government aid.♦

os Castilho is a freelance journalist based o de Janeiro.

e WorldPaper features fresh perspectives from around the world on matters of global concern, bearing monthly in English, Spanish, Chinese or Russian editions in the following publications:

IA
ina & the World *Beijing*
onomic Information *Beijing*
inichi Daily News *Tokyo*
e Business Star *Manila*
ecutive *Hong Kong*
rea BusinessWorld *Seoul*
siness Review *Bangkok*
e Nation *Lahore*
ily Observer *Colombo*
siness India *Bombay*

LATIN AMERICA
The News *Mexico City*
Actualidad Económica *San José*
Gerencia *Guatemala City*
Estrategia *Bogotá*
El Diario de Caracas *Caracas*
Daily Journal *Caracas*
El Cronista Comercial *Buenos Aires*
La Epoca *Santiago*
Debate *Lima*
Hoy *Quito*

MIDDLE EAST
The Star *Amman*

USSR
New Times *Moscow*

NORTH ATLANTIC
Heimsmynd *Reykjavik*

THE WORLDPAPER · ONE VOICE · MANY VOICES · WORLD TIMES · TRIBUNE MONDIALE · TIEMPO MUNDIAL · 世界時代 · INTERNATIONAL INC.

President & Editor in Chief
Crocker Snow, Jr.

The WorldPaper / World Times Inc.
210 World Trade Center, Boston MA 02210, USA
Tel: 617-439-5400 Telex: 6817273
Fax: 617-439-5415
Volume XII, Number 9 © Copyright World Times

California's pollution market

Can LA clean up its act with tradable permits?

THE CITY THAT wrote the book on dirty polluted air is now a leader in using classical market forces to clean it up.

Los Angeles, which gave new meaning to the word smog in the 1950s with its choking mixture of car exhaust and industrial pollution, has become the largest laboratory in the United States for testing the effectiveness of negotiable pollution permits.

The California Air Resources Board and the South Coast Air Quality Management District have jointly administered a complicated program of acceptable pollution standards and prevention procedures for industries. What makes it special is that individual companies are allowed to trade or barter certain rights and responsibilities among themselves, so long as existing industry pollu limits are not exceeded.

In principle, companies with clean duction facilities can sell their pollu rights to others whose discharge ceeds the set standards, and who f more efficient to buy these permits premium than to modernize and c up their act. In theory too, the anti lution effort is driven by economics r than bureaucratically inspired reg tions. However the permit system is a guilty-until-proven-innocent appr to polluters.

Different types of trading transact are allowed between the clean air ulators and a manufacturing facility

Recent changes in regulations req new or expanding companies to in the best available pollution control t nology and obtain pollution credits to set the effect of new emissions. H polluting firms seeking to build or exp facilities can obtain "offset credits" purchasing them on the open mar reducing emissions at another loca of their facility, shutting down eq ment, or installing controls that go yond the technology specified regulators.

The elaborate end result is that th chemical, petrochemical and aerosp industries clustered in the Los Ang area have a series of economic opti for complying with existing environm tal standards—and some new incent for improving upon them.

Pollution permits are beginning t tested well beyond the borders of ifornia. The governments of the US Canada wrote procedures for pollu permitting into their Montreal Proto for the reduction of the use of chlo fluorocarbons (CFCs) and regulatio their discharge into the atmospher

"It's a program on paper, but i particularly operational yet," says Dudek, chief economist for the N York-based Environmental Defe Fund, which has been a leading vocate of and watchdog for pollution p mitting. "There are a handful of act in the field so far, but none of them p ticularly robust. It's a little like a without the bark."

"But the principle is sound and it's tracting lots of attention" says Dud "and what's being done today in LA pale in comparison to what can be d internationally through permitting solve global problems."

—By The WorldPaper s

ENVIRONMENTAL WORLDMARKETPLACE

Environmental Issues from the United Nations

Global Outlook 2000		**Environmental Auditing**	
E.90.II.C.3	*92-1-109118-7*	*E.90.III.D.1*	*92-807-1253-5*
$19.95	*352 pp.*	*$32.00*	*125 pp.*
The State of Transboundary Air Pollution		**Storage of Hazardous Materials**	
E.89.II.E.25	*92-1-116460-5*	*E.89.III.D.6*	*92-807-1238-1*
$25.00	*104 pp.*	*$45.00*	

SEND ORDERS TO:
United Nations Publications Sales Section, Room DC2-853, Dept. 602, New York, N.Y. 10017
Tel. (800) 553-3210, in New York (212) 963-8302, Fax (212) 963-3489
Visa and MasterCard orders accepted,
please add 5%, $3.50 minimum for postage and handling

United Nations Publications

EcoSource

THE ENVIRONMENTAL INTELLIGENCE REPORT FOR BUSINESS

EcoSource is an excellent bimonthly executive digest of news, articles, essays, quotes, excerpts, and current thinking on environmental issues in business and government. Its content is gathered from 50 major papers, more than 125 environmental periodicals, and interviews with experts.

BOX 1270, GUELPH, ONT.
CANADA N1H 6N6
TEL: (519) 763-8888
FAX: (519) 763-6202

EcoSource

ENVIRONMENT NEWS SERVICE
Global Network of Reporters
• By Fax • On-Line • By Mail
Daily News Updates (USA only)
Call Greenline: 1-900-446-4761 x70
3505 W. 15th Ave
Vancouver, B.C. Canada V6R 2Z3
604-687-6397 Fax: 687-6390
Usenet: a13@mindlink.uucp

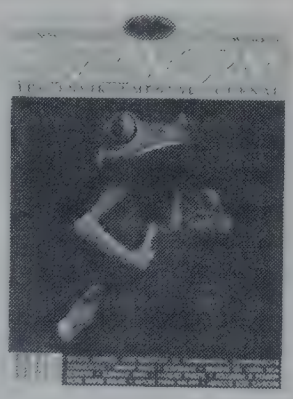
To advertise in the next **Environmental Marketplace** *Write to Kristina Harris The WorldPaper 210 World Trade Center Boston, MA 02210*

You have to kill a whole elephant to get a little ivory

World Wildlife Fund
Dept. ZA1
250 24th St. NW
Washington, D.C.
20037

WWF

SAVE ELEPHANTS. DON'T BUY IVORY



SUBSCRIBE TO THE BEST ENVIRONMENTAL MAGAZINE IN THE WORLD

IF YOU'RE CONCERNED about the current state of our natural environment and want to know more about it — then BUZZWORM is for you. It's the thinking person's source of clear, unbiased information on environmental conservation. Through insightful writing and spectacular full-color photography BUZZWORM explores the hows and whys of sustaining our fragile planet.

As a "consumer guide" to the environment BUZZWORM also features in-depth listings of volunteer opportunities, job openings and ecologically oriented adventure travel, as well as an ongoing journal of environmental events worldwide.

Not affiliated with any environmental organization, BUZZWORM is acclaimed as the first truly independent publication reporting on environmental conservation.

Please enter my subscription to BUZZWORM, published bimonthly.
❑ 1 year (6 issues) air mail $45 ❑ 1 year (6 issues) surface mail $25 ❑ 1 year (6 issues) U.S. address $18
❑ payment enclosed (U.S. funds only) ❑ Visa ❑ Master Card
Card # _____ Exp. date _____
Signature _____
Name _____
Address _____
City _____ State _____ Zip _____
Country _____
MAIL TO: BUZZWORM Subscription Services, P.O. Box 6853, Syracuse, NY 13217-7930

Measuring progress: not by GNP alone

Arguing the case for new national indicators

By Hazel Henderson
in Caracas, Venezuela

IS INCREASINGLY obvious that ing to manage today's complex ieties using Gross National Product. NP) as an indicator of progress is like ng to fly a Boeing 747 with nothing on instrument panel but a single oil ssure gauge. Equipping these na- al instrument panels with more erse and realistic indicators is not dif- lt; most of the data needed is already lable.

ecent efforts to redefine indicators ational wealth and progress, beyond outdated model of the GNP index, eventually depose economics from current catbird seat in the policy na.

ne new indicator, the United Na- s Development Program's Human elopment Index (HDI), begins to lenge the narrow economic defini- s of progress that make up the GNP x. The HDI, by incorporating wide- ailable statistics on literacy, life ex- tancy and purchasing power, has rgized the debate on reforming na- al indicators.

The GNP index was originally devis- o measure the mobilization of arms duction during World War II—and includes the production of bombs, ets and tanks. But it completely ig- es the value of natural resources, cation, unpaid subsistence labor and -employment labor which accounts well over half of the world's produc- and nearly 80 percent of its capital stments.

Many politicians in less-developed ntries believe the GNP scorecard is ed in favor of industrial countries. y cite perverse, no-win effects of ng to please the International netary Fund by boosting GNP vth: increasing environmental deple- rates, unemployment and uneven me distribution. We already see similar effects in Eastern Europe where GNP-oriented economic reforms are creating dangerous economic backlashes, such as soaring unemployment in Poland.

Until recently, developed nations' governments and their entrenched economic bureaucracies have helped perpetuate the legitimacy of the GNP, since changing these comparative scorecards might show them in an unfavorable light.

Each government puts its own spin on national economic statistics. For example, in the 1970s and 1980s the USSR systematically overstated its GNP-growth. Similarly, the Organization for Economic Cooperation and Development (OECD) countries have downplayed unemployment figures by redefining full employment from 2 percent unemployment in the 1960s to 7 percent in the late 1980s. Virtually all countries ignore environmental costs, natural resource depletion rates and, perversely, add into the GNP as useful production the costs of environmental cleanups!

The most obvious crack in the GNP is its reliance on money-denominated, per capita incomes in an era of wildly fluctuating currencies. Thus, GNP statistics cannot give comparisons of of the hours a Russian must work to buy a loaf of bread to how long it takes a Japanese to earn a bowl of rice.

The Country Futures Indicators, which I have advocated over the past decade (see box), are deliberately open-ended to encourage the much-needed multicultural debate about definitions of development and progress. Beyond the North-South debate over who is developing and who is developed, we need to recognize that all countries are developing in different ways—and developing in a world of increasing interdependence.

Thus, I believe that new indicators measuring so many diverse paths to development must first be unbundled to avoid the GNP's mistake of simply piling obsolete economic formulas on top of one another to come up with an aggregate score. These traditional economic measurements assume a certain degree of agreement on development goals and are predicated on outdated notions, such as immobile capital.

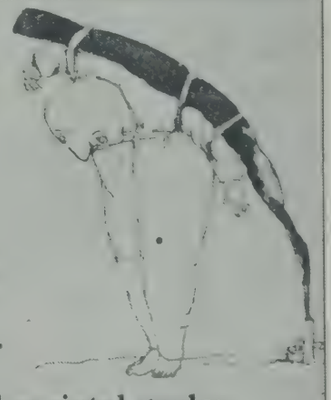
The Country Futures Indicators assume that users will not necessarily be governments, but millions of average citizens in all countries who are yearning for greater democracy, freedom and participation. Today, citizens everywhere wish to hold all their institutions, including governments, more accountable to their promises and performance.

New economic indicators can help citizens decide if governments are delivering the best services for the specific quality of life they are seeking. And politicians will need better indicators to deliver those services.♦

l Henderson is a frequent contributor to *The dPaper* and author of *Politics of the Solar Age.*

Country Futures Indicators

Some new ways to measure national progress



Elements of a reformulated GNP:

- Purchasing power parity.
- Income distribution.
- Informal and household sector production.
- Deduction of social and environmental costs.
- Account for depletion of nonrenewable resources.
- Millitary/civilian budget ratio.

Complementary indicators of progress toward societal goals:

- Education: literacy levels, dropout rates.
- Health: infant mortality, low birth weight, weight/height/age ratio.
- Basic services: water, sanitation, telephones, electrification, etc.
- Child development.
- Political participation and democratic process.
- Status of minorities, ethnic populations and women.
- Air and water quality and pollution levels.

Source: Hazel Henderson

RVB

Spend a year in Holland and earn an MBA

A unique international one year MBA programme starting every September in either of the following three specializations

- industrial policy and strategic management
- accounting and finance
- management information systems

Write or telex for more information to

Director,
the Netherlands International Institute of Managment (RVB)
Endepolsdomein 150, P.O.Box 1203
6201 BE Maastricht
Telephone 043 - 618318
Telefax 043 - 618330, Telex 56729
or
Ms .Rebecca Lo
RVB Singapore Liaison Office
c/o Owen Road, P.O.Box 0165, Singapore 9121
Telephone (65) 291 2372, Telefax (65) 292 2372
Telex 55002 Tecnet - RS



UNIVERSITY DEGREE

for work, academic and life experience

BACHELOR'S • MASTER'S DOCTORATE

Send detailed resume for free evaluation.

Pacific Western University

600 N. Sepulveda Blvd.
Los Angeles, CA 90049. Dept. 157 - U.S.A.
(213) 471-0306
FAX: (213) 471-6456 - TELEX: 182315

Fairfax University

Home study degree programs. Most subjects available. World-wide student body. Supervision provided by highly credentialed American and British faculty. For free catalog write: **FAIRFAX UNIVERSITY** 2900 Energy Centre New Orleans, LA 70163, USA.

Work in USA

Professionals, do you want to and work in the USA? We a registered company and we h served thousands of people f 70 countries. Write for an a cation.

FAM II
2730 San Pedro NE., Suite Albuquerque, NM. 87110 U

P.S. Send 2 "international re coupons" (available at your post fice) for air mail reply!

FULLY APPROVED UNIVERSITY DEGREES

Economical home study for Bachelor's, Master's, Ph.D., **fully approved** by California State Department of Education. Prestigious faculty counsels for independent study and life experience credits (5000 enrolled students, 400 faculty). **Free information** — Richard Crews, M.D. (Harvard), President, **Columbia Pacific University**, Department 3G59, 1415 Third Street, San Rafael, CA 94901. Toll free: (800) 227-0119; California: (800) 552-5522; or (415) 459-1650.

Earn
UNIVERSITY DEGREES

Utilizing work, life & academic experience; for evaluation and information forward resume to:

PACIFIC SOUTHERN UNIVERSITY
9581 W. Pico Blvd. Dept. 11
L.A., CA 90035 USA

SURPLUS PLANTS—SA

Oxygen - Nitrogen - Arg

Modern Liquid — Excell Condition

75 T (2250M)
1/2 t (15M) 1 T (30M)

LOW PRICES WITH FINANCI

Nicolai Joffe Corp. Dept.
P.O. Box 5362, Beverly H
Calif. 90210 USA. Tlx: 674
FAX: 213-275-9372

EXTERNAL UNIVERSITY DEGREE

BACHELORS • MASTERS • DOCTORATE • PLUS LAW
Full credit for work & life experience. No residency required.
SEND RESUME FOR NO COST EVALUATION
LA SALLE UNIVERSITY DEPARTMENT 12
Mandeville, LA 70470-4000 USA
Phone 504-624-8932 Fax 504-624-8931

Spartan Health Sciences University School of Medicine in St. Lucia West Indies

* Classes Starting: Sept 1990 Jan. 1991, May 1991
* Instruction in English
* W.H.O. Listed
* Guaranteed Student Loan

For information: U.S. Office
7618 Boeing, Suite C, El Paso, Texas 79925 USA
Tel: (915) 778-5309

British LICENTIATE

Licentiate in Arts or Sciences and Higher Diplomas in Management, Psychology or Philosophy. For details of these and other programmes send $9 to:

Somerset University

European Programme
Ilminster
Somerset TA19 0BQ
England
Tel: 0460 57255

JAPANESE WATCHES

Quality watches with Japane movements available. Interes novelty designs perfect for t gift market. Samples availab Please fax 81-3-5273-4008.

AUTHORS WANTED BY NEW YORK PUBLISHER

Leading subsidy book publisher s manuscripts of all types: fiction, fiction, poetry, juvenile, scholarly religious works, etc. New authors comed. *Ask for free booklet R-83.* **tage Press** 516 West 34th Street, York, NY 10001



The English Language Institute at
Florida International University
Offering instruction in English as a second language since 1978

- small classes
- 5 levels of instruction
- modern language language laboratory
- 14-week, 7-week, or 4-week programs
- TOEFL Preparation
- accent reduction
- CLAST essay preparation

For further information, contact:
The English Language Institute
Florida International University
Miami, Florida 33199
Phone: (305) 348-2222 Telefax: (305) 348-2959

GOOD THINGS COME IN SMALL PACKAGES
TO ADVERTISE IN THE NEXT WORLDMARKETPLACE
WRITE TO: KRISTINA HARRIS
THE WORLD PAPER, 210 WORLD TRADE CENTER
BOSTON, MA 02210 USA

ARMSTRONG COLLEGE
Berkeley ✧ California

Gateway to American Business Education

Armstrong College, established in 1918, is a small private college which caters to the needs of international students seeking a career in ***Business Administration and Accounting.***

A multinational faculty and student body provide a diverse and stimulating learning environment. Armstrong is located in the heart of ***Berkeley, California,*** a well-known education center. All of the culture, beauty and resources of Berkeley are readily accessible as well as those of the surrounding San Francisco Bay area.

ARMSTRONG COLLEGE • (415) 848-2500
2222 Harold Way, Berkeley, California 94704 USA

Send coupon for an application and information on the following:

- ☐ Certificate Programs in Business
- ☐ Graduate and Undergraduate Degree Programs in Business Administration and Accounting
- ☐ English as a Second Language Program (TOEFL Preparation)

Name _____
Address _____
City _____
Country _____

Accredited by the Association of Independent Colleges and Schools

STUDY IN THE U.S.A.

The Kaplan International Institute is your ticket to opportunity in the United States! We are the internationa division of Stanley H. Kaplan Educational Center, Ltd. America's largest test preparation organization, Kaplan has more than 135 Centers throughout the United State

The Kaplan International Institute offers preparation courses in standardized high school, college and graduat admissions tests as well as on professional and licensing examinations in law, medicine, dentistry, nursing, educa- tion and accounting. Here is a partial listing of our course offerings:

- Intensive English Language Program
- TOEFL • GRE • LSAT
- SAT and ACT • MCAT • CGFNS and NCLEX
- GMAT • DAT • FMGEMS/NMB/FLEX

The Kaplan International Institute can take you far. Call today and you will be on your way!

(713) 964-2733

KAPLAN INTERNATIONAL INSTITUTE
a service of Stanley H. Kaplan Educational Center, Ltd.
4801 Woodway Drive, Suite 300E Houston, Texas 77050

Bicycles, yes—cheap shoes, no

An environmental questionnaire published in the April issue prompted 755 letters from 16 countries in reply. Although not a comprehensive survey, responses highlight an awareness among our readers of the need for a change in values.

Who do you hold most responsible for e depletion of scarce natural re-urces? *Governments: 28%*
Industries: 30% *Ourselves: 42%*

Do you think that less-developed na-ns have the right to exploit their en-onment in the same ways the in-strialized nations have in the past in ler to catch up with the rest of the rld? *Yes: 22%* *No: 78%*

If there were well-maintained bicycle ths throughout your city, and you liv-within a reasonable distance, would u ride a bicycle to work?
Yes: 82% *No: 18%*

Would you wear a coat given to you as ift if it were made from the fur of a pped wild animal? *Yes: 32%*
No: 68%

Would you favor the *immediate* clos-of a plant that was polluting the air your town if it meant the loss of a ma-employer? *Yes: 60%* *No: 40%*

Which do you think is the most effec-e means of encouraging a polluting in-stry to comply with environmental gulations? *Tax incentives: 23%*
es: 23% *Education: 18%*
nsumer boycotts: 36%

7. If you lived in an underdeveloped and economically depressed area and had only the following two choices, would you prefer the development of a tourist industry that would bring in thousands of visitors each year, or the development of a paper mill that would provide needed jobs? *Paper mill: 28%*
Tourist industry: 72%

8. Would you be willing to travel an extra half-hour each way to work if it meant that the construction of an expensive and controversial bridge over an unspoiled waterway would be halted?
Yes: 76% *No: 24%*

9. Do you feel less threatened seeing white smoke coming from smokestacks than by seeing black smoke?
Yes: 44% *No: 56%*

10. If organically grown vegetables cost the same as vegetables sprayed with pesticides, would you choose to buy organically grown vegetables, which would not stay as fresh as long as those sprayed with pesticides?
Yes: 87% *No: 13%*

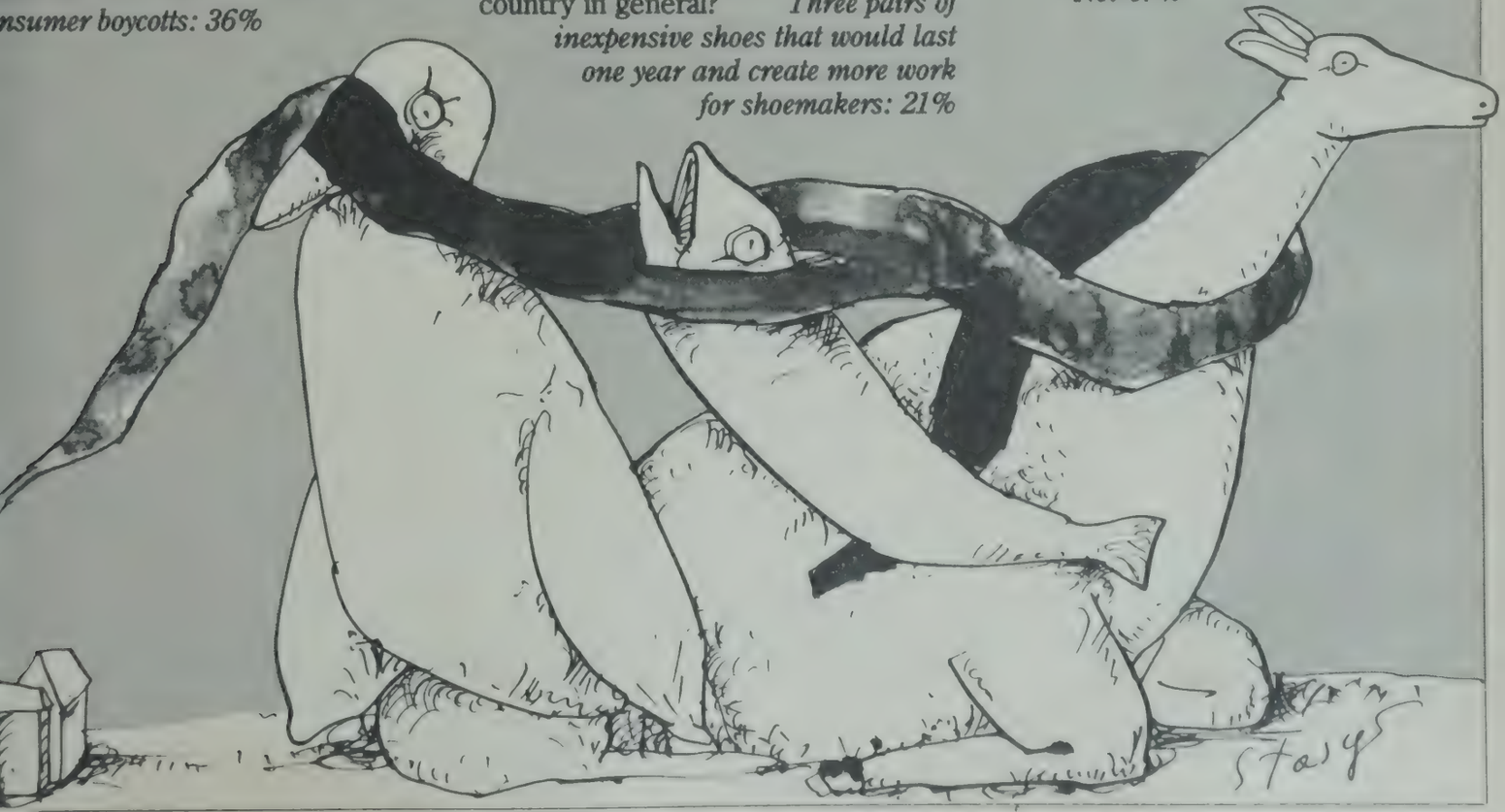
11. Regardless of your personal taste, which do you consider better for your country in general? *Three pairs of inexpensive shoes that would last one year and create more work for shoemakers: 21%*
Single pair of expensive shoes that would last three years and conserve resources like leather: 79%

12. Who do you hold most responsible for the decimation of almost 700,000 wild African elephants?
Producers of ivory products: 11%
Consumers of ivory products: 40%
Governments allowing poaching: 31%
Poachers: 18%

13. Does China have the right to reach its goal of producing a refrigerator for every household in the country even if it means a drastic increase in the level of CFCs that are destroying the ozone layer? *Yes: 25%* *No: 75%*

14. Do you think that a debt-for-nature swap, in which overseas groups give money for conservation efforts in a debtor country by paying off parts of the country's outstanding foreign debts at discounted rates, is a form of "eco-colonialism"? *Yes: 34%* *No: 66%*

15. Are the Japanese justified in feeling maligned by the West on the whaling issue, since they view sea creatures as food the way Westerners view cattle?
Yes: 33%
No: 67%



"I think I'd better call."



© 1990 AT&T

The U.S.A. Be there by phone.

Wheeling. Dealing. The busines world moves fast. And you can be in over your head before yo know it. That's when a few answers from the right people can make all the difference. When everyone around you is losing their cool, it's refreshing to know that although your clients are on another continent you can soon clear things up. By phone.

With AT&T, a leader in world-wide telecommunications, and your local telecommunications organisation, the lines to the States are open for everyone. So, if you want your business to pick up, pick up the phone.

AT&T

ECTRONICA INDIA

reaking new ground

iding a little more than the customer bargained for, has proved to be the to this company's unique success

greement Electronica India signed a veeks ago with Mechtro Joban Inter-nal, Japan, could well be the 'big leap' ne Pune-based company. Started in by three technocrats — S.R. Pophale the two Ratnaparkhi brothers, Ravi Prakash — Electronica makes com-rised numerically controlled (CNC) cut electronic discharge machines M), till now the monopoly of just a ful of companies in only two coun- — Switzerland and Japan.

ce these companies were reluctant rt with the closely held technology, tro Joban, a $300 million conglome-which is diversifying into machine turned to Electronica India for how. The Indian company, which al-had a 95 per cent share of the Indian et for CNC wire-cut EDMs, saw it as portunity to enter the Japanese mar-d agreed to tie up with Mechtro. But rchitects of Electronica, now a Rs.17-enterprise, still have nostalgic mem-of their first crude EDM, built in a garage in Pune way back in 1973.

ir story began in 1970. Prak-Ratnaparkhi had graduated IIT Bombay, with a B Tech in onics in 1968. He and his 27-ld brother, Ravi, a mechani-gineer, teaching at the poly-ic at Pune, along with S.R. le, a young mechanical engi-ho was a professor at the Col-f Engineering, Pune, decided t a unit of their own. But they idea what they would manu-e. "From 1970 to 1973," re-Prakash, "we tried as many as oducts. We actually manufac-and marketed 12 of these, but ut success."

park

Ravi Ratnaparkhi read about machining technology, called k erosion" or electric dis-e machining and mentioned it brother. Prakash found that te, whom he knew quite well, nducting experiments on the t at his alma mater. "After their work, I was convinced that we had struck pay dirt. Though converting lab experiments into workable technology was a big challenge, we took it on and signed a consultancy contract with Apte," he says.

"Electric discharge machining involves material removal by an electric spark which erodes the metal," explains Ravi. This process can machine hardened steel and other hard material — tungsten carbide, platinum, etc — with remarkable ease. Intricate shapes can be etched out of hardened die blocks by 'sinking' shaped electrodes into a die block using the EDM process. The cavity thus produced takes the exact shape of the electrode.

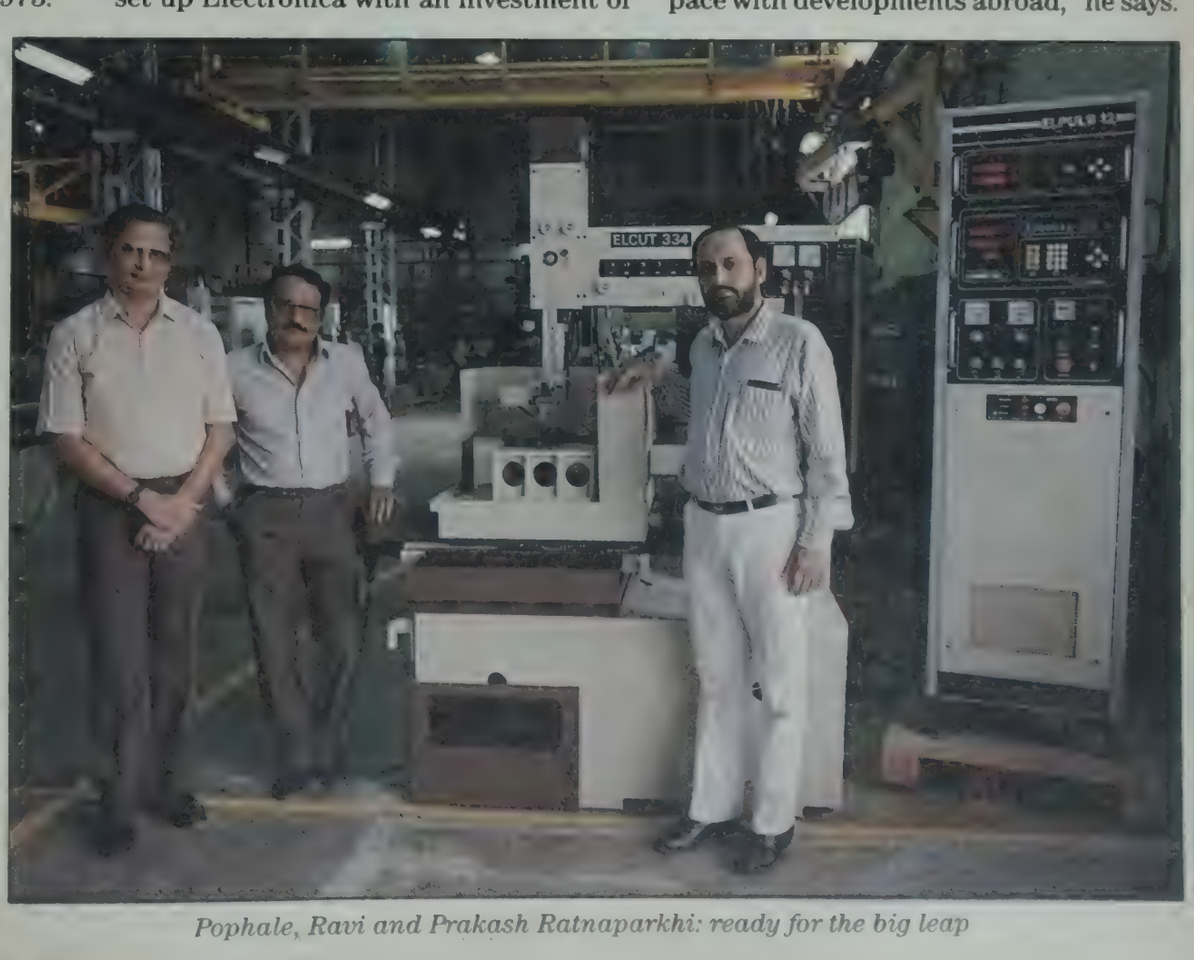
The trio realised that their technique could revolutionise the process of die making. "It could reduce the time required to manufacture a die from several days to just a few hours," says Pophale. "The enormous advantages of EDM motivated us and we struggled for almost a year to make the first machine," he adds. When they succeeded, Pophale and the Ratnaparkhis set up Electronica with an investment of just Rs.15,000.

They managed to sell their first machine for Rs.20,000 to a friend in Nasik (who used it to make carbide dies for nuts and bolts) and then realised there was tremendous scope for improvement.

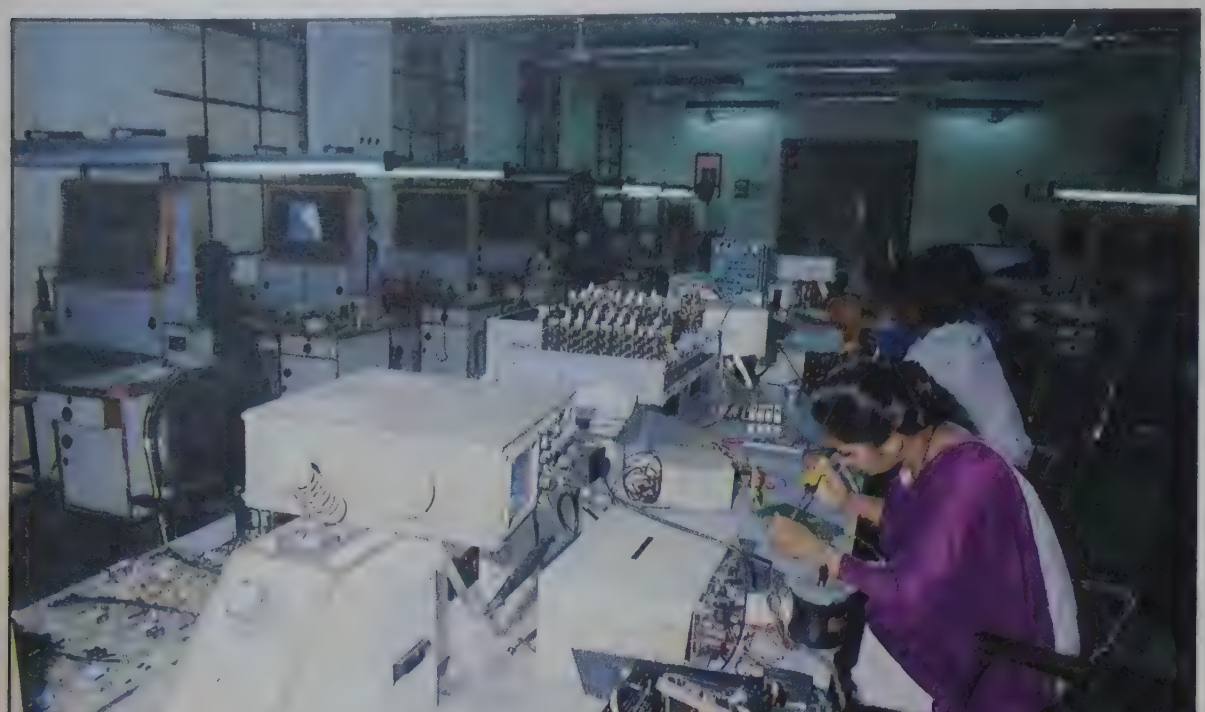
At IMTEX '75, Electronica displayed its indigenously developed EDM. The response was overwhelming. From the next year, sales grew rapidly. Turnover rose from Rs.6 lakh in 1976 to Rs.2.17 crore in 1979. However, the three entrepreneurs felt that their product was way behind international standards. What they needed was a collaboration. So they approached all known EDM manufacturers in the world. To their surprise, Agietron of Switzerland, one of the best EDM manufacturers, responded and a collaboration was signed in 1978.

Slowly their market share increased and they emerged leaders. Users began to realise that Electronica's machines were comparable to imported ones and their client list began to grow. Today it includes Telco, L&T, Mahindra Sinter, Widia, Kinetic Engg. and Hindalco.

Says B.K. Agarwal, vice-president of Hindalco, "I once compared a Japanese machine to Electronica's and the performance was identical." B.M. Kataria, executive director, Mahindra Sinter, agrees. "Electronica has constantly tried to keep pace with developments abroad," he says.



Pophale, Ravi and Prakash Ratnaparkhi: ready for the big leap



View of assembly line: a ninetyfive per cent market share

EDMs are used mostly in tool and die making industries, a limited activity in India as most Indian manufacturers prefer to import ready-made dies. In those days the trend in machine tools was towards CNC.

Electronica then opted to sell Japanese CNC machines, a shrewd move, because although the Japanese were not strong in machine tools, they were the best manufacturers of CNC controllers. Their machines were far more affordable and they were the only other manufactur CNC wire-cut EDMs — the latest in technology — besides the Swiss.

In 1979, Electronica tied up wit eral Japanese companies like Japax subishi, Okuma and Komatsu, to sel machines in India. At IMTEX '79, the played, for the first time in India, a nese 4-axis CNC wire-cut EDM. It w instant hit, prompting Electronica t a separate electronics division in concentrating on development of C

By 1982, they had developed d read out (DRO) systems and CNC fits as a first step towards making fledged CNC machines. They had als and serviced around 77 CNC wir EDMs. "This gave us a fair insight CNC technology," says Prakash. By they were well on their way to devel the first indigenous CNC wir machine. In 1983, CNC wire-cut were shifted out of OGL — a boon for tronica, as it led to increased dema IMTEX '86, Electronica launched the indigenous CNC wire-cut EDM.

This was a turning point. Electr had completed its first major expa costing about Rs.1.5 crore in 1982-

ced almost entirely by SICOM. By then, company was an established market er and had little difficulty in getting nce. In 1980, it had also added a full- ged electronics division, from internal uals. Sales grew from Rs.2.17 crore in to Rs.6.73 crore in 1984-85.

owever, the plateauing of the EDM ket saw a slight dip in sales in the next e years to Rs.6 crore in 1987-88. "In the market for EDMs was placed at t Rs.3.5 crore then, and we had four s of it. Diversification into DROs and retrofits did contribute to our th, but to a limited extent, as they relatively low-value products. Our selling EDM is priced at Rs.3 lakh, we were making about 100 to 120 nines a year," says Pophale.

e development of the CNC wire-cut changed things drastically. It was a value-added product, priced at about lakh which opened up new vistas of th, including exports. Electronica be- xporting in 1987 with an order from ia worth Rs.3 crore and another of 5 crore the following year. Sales rose ly to Rs.10 crore in 1988-89 and to t Rs.16.5 crore in 1989-90.



Intricate etching by spark erosion

Electronica began its second major expansion and modernisation in 1988-89. Meanwhile, the company's export effort has been receiving excellent support from the EXIM bank. "The Japanese market for CNC wire-cut EDMs is about 1,200 machines a year," says Pophale. "Our collaborator is aiming for about a tenth, worth between Rs.10 and Rs.12 crore." The Indian machines are expected to be about 40 per cent cheaper than the equivalent Japanese ones.

With yet another plant coming up at Bangalore financed by KSSIDC and scheduled to go on stream this year, Electronica is well set. Its product range is wide but CNC wire-cut EDMs and conventional EDMs bring in most of the money. In conventional EDMs, however, there are two other significant manufacturers: Toolcraft, Madras, and Sparkonix, Pune. They account for about 25 per cent of the market, but cater to the lower end, from which Electronica is now moving out. Vijay Patwardhan, MD of Sparkonix, says, "We too started making EDMs in the seventies, but Electronica went ahead due to its Agietron collaboration."

"I have bought their machines, initially with trepidation, but have always been more satisfied than I thought I would be. This is the key to their success — providing a little more than the customer bargained for," says Abhay Firodia. A fitting tribute indeed from the managing director of Bajaj Tempo, to Electronica, a unique entrepreneurial success.

■ ROOP KARNANI

A WINNING STREAK TO A SAFER DRIVE

Goodyear has taken home over 200 Grand Prix trophies so far. Twice as many Formula One victories as any other tyre manufacturer. That's Goodyear's unbeatable international track record.

The tyre technology that is proven on the most punishing race tracks worldwide builds the same extra toughness and safer grip into the Goodyear tyres on your car. So you can drive home safe and sound.





GOODYEAR®

TAKE ME HOME

Adding value to compete

When the prime minister of Singapore, Lee Kuan Yew, was asked in a recent interview what his views on how to maintain competitiveness were, he replied, "The way Japan has done it — add value. Add value by more capital investments, privatisation, robotics, or more skills. That is, move away from low value."

What is value addition and how do we, in India, view it? Is it the accountant's definition of selling price minus the variable costs of raw material inputs? Or does it comprise a function of tangible and intangible values, some of which may not necessarily reflect in the selling price of the article but may be necessary to maintain future sales?

Raw material and other costs is the most elementary form of value addition and represents the value added to the cost of the raw material to convert it into the finished product. It therefore includes the costs on account of manpower, administration, power and utilities, capital servicing charges of interest, insurance and depreciation, selling and distribution costs and advertising.

A numbers game

Such value addition is normally computed by the cost accountant who needs it to evaluate his standard costs versus actuals, by the sales manager who determines his breakeven point thereby determining minimum sales target and by the finance manager who determines the profit he must make since he views value addition as the "fixed and semi variable" element of the product cost. In such a situation, value addition remains a numbers game and becomes a direct function of cost-plus. All value addition ultimately translates into profits for the organisation.

Value addition really comes into play after the costing exercise has been done. The primary question is what the consumer is willing to pay for your product when faced with a choice of competing products. This assumes even more importance when the competition is at the international level and the consumer has a fairly wide choice amongst the best from several countries.

Brand names are a major source of value addition, which generally appreciates and grows as the brand becomes accepted. Brand names need to be nurtured through continuous support because they offer a major opportunity for value addition. Examples of powerful brand names exist in abundance in the consumer market segments of garments, cigarettes, watches and now even in agricultural commodities. Branded Indian Basmati rice is now commanding a premium in world markets as compared to bulk shipments. Most Indian exporters are satisfied doing branding for a foreign company or selling in bulk, leaving the brand value addition to a foreign buyer. While this strategy is fine in the short term, the long term must find a plan for Indian brands on foreign market shelves.

Generic brands

A generic product tends to erode value addition since the consumer starts finding identical properties in competing brands. A much quoted example is Johnson & Johnson's "Band Aid". Hewlett Packard is fighting to prevent its "Laserwriter" printer becoming a generic product and in the field of office automation, PC-XT and Xerox are classic cases of generic brands.

Similarly, strong brands such as Dunhill, Pierre Cardin or Yves Saint Laurent (YSL) can launch unrelated high value added products. For example, YSL has launched an upmarket cigarette, Pierre Cardin has moved from fashion to lifestyle to leisure and Wills offers products ranging from cigarettes to books. There are scores of similar examples in every major consumer product the world over. Powerful Indian brand names could consider launching unrelated products using the "house" mark to facilitate entry of products on foreign shelves and to gain easier recognition from consumers.

Weak link

Service is a significant element of value addition. Is the commodity trader sitting overseas getting the right service from Indian exporters in terms of the right quality being shipped, on the agreed date, consistently? Are Indian service agencies, like hotels, merchant bankers, lawyers or engineering and management consultants providing acceptable service to the overseas buyer/investor? The service factor for Indian products is often regarded as the weak link. Buyers feel that they are not sure who they are dealing with thousands of miles away, physical presen the market place is essential to rein the purchase decision of an over buyer.

Established credentials

Some foreign buyers have had a few experiences with Indian exporters. multiplier effect of this on pote buyers is significant. Value additio Indian products therefore also becon function of who the supplier is. First exporters could consider selling products under a larger company's brella to help them establish their b names and to give them the first o Once their own credentials have bee tablished, they can form their own brellas" for others.

The Japanese *sogososhas* (tra houses) have done this over the past decades most admirably and have he in establishing a number of pow brands in the world markets. There reason why Indian export houses ca function as the marketing arms of In business houses to help establish products. Indian business groups sh aim to complement each other's activ in world markets because each succe sale and every satisfied customer serves to establish the credibility o "Made in India" label.

It goes without saying that the phy quality of the product is the single important factor for value addition. W the factors referred to earlier are area value addition to the perceived qua parameters for physical quality that be tested in a laboratory cannot be promised with in any event. The quality delivered consistently as per needs of the buyer is the only factor will ensure repeat purchase, which in long run is the sustenance all Indian p ucts would require to increase value a tion through their non-phys attributes.

Whatever the factors, the ultimate of all Indian exporters is to earn valu foreign exchange for the country. If al porters were to aim at increasing ma shares for the Indian products and for their individual brands, the "Mad India" label would be soon seen on w market shelves.

■ ASHUTOSH G

The author is vice president, South-Asia, ITC Ltd. The views expressed ar own and do not necessarily reflect tho his organisation

Barely three years ago Can Fin Homes was set up by Canara Bank, HDFC and UTI, with the objective of realising the housing dream for the common man. Eighteen thousand shareholders added to their strength.

Our sights have always been on the middle and lower income groups. Today Can Fin Homes can take satisfaction in the modest achievement of having disbursed over Rs. 100 crores of housing loans.

We take pride, that over 75% of these loans are of less than Rs. 1 lakh each; giving housing loans where they are needed most.

From a small beginning – with a branch in each state capital in the command area – we have moved closer to our customers in Vishakapatnam, Davangere, Trichur and Madurai. Seventeen branches including Delhi, Panaji and Pondicherry to service our customers better. Introduction of low cost housing technologies and funding of low income housing projects have brought us closer to our goal.

We take pride in the homes that we have helped to build. We take pride in your 'Can Fin Homes'.



Can Fin Homes Ltd.

A Growing Presence

CLASSIC TOUCH-DIRECT

LIKE THE WARMT



TERENE/WOOL WORSTE

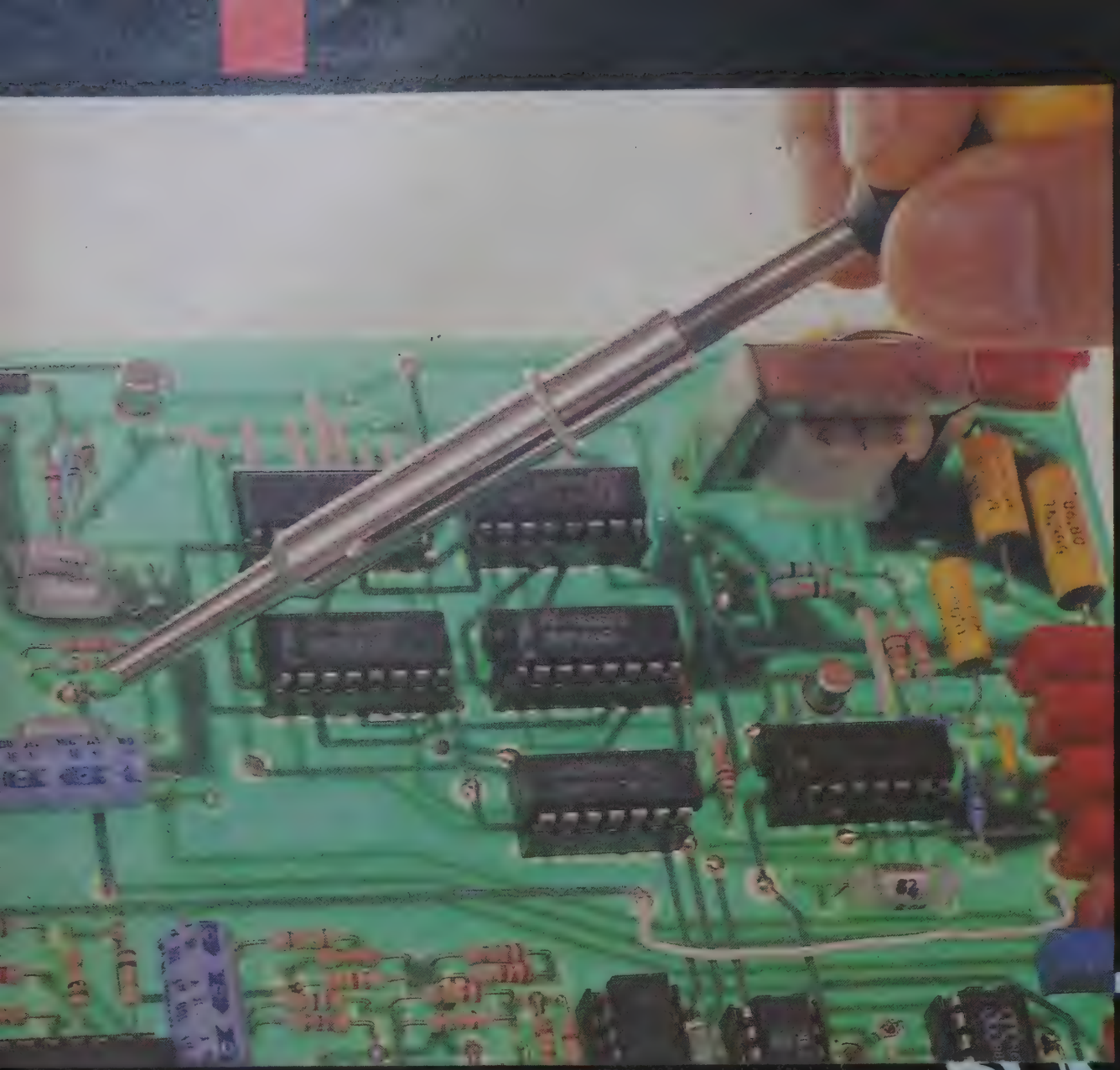
DECADES OF CLASS

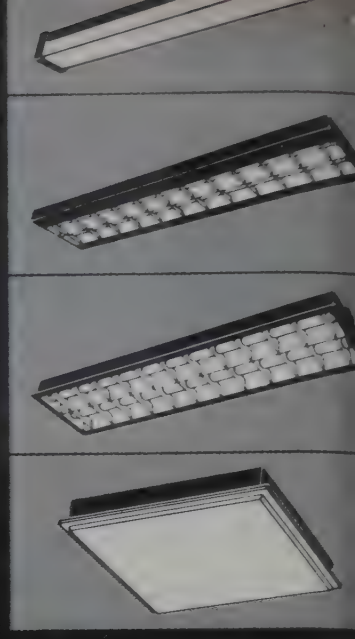
I N Y O U R H E A R T



R O M G W A L I O R S U I T I N G

GRASIM
GWALIOR
SUITING
IN A CLASS OF ITS OWN
A PRODUCT OF GRASIM INDUSTRIES LTD





When you're working within 'zero-error' tolerances improper lighting could mean the difference between success and failure...

TRUST BAJAJ

Each made to our own demanding standards. As w as to the stringent specifica of the Bureau of Indian Stan Commission Electrotechniqu Internationale and of other international organisations.

For our advisory service on lighting and/or lighting installation design, write to, General Manager (Lighting) Bajaj Electricals Limited, 51, Mahatma Gandhi Road, Bombay 400 023., or contac our nearest regional branch

Bajaj brings you a range of luminaires and lighting syste Designed by computers to s virtually every lighting need. It for industries, commercial institutions or street lighting.

bajaj group

bajaj bajaj LUMINAIRE

Spreading Light – scienti

ata Chemicals

idend pruned; sales volume decline er competitive market conditions; fit higher by Rs.2.76 crore due to nge in various accounting policies; a issue of partly convertible deben- s for fertiliser project planned; out Karnal refinery project

Chemicals, the largest producer of ash in the country has reported dis- inting results for the year ended 31 ch 1990. Its working is affected by r sales volume of soda ash, higher ufacturing expenses, escalation in material costs and higher interest ges. Despite this, higher income from r sources along with certain account- djustments enabled the company to rt a 14 per cent rise in the bottom line.

a Chemicals *(Rs crore)*

ended	31 Mar 1990	31 Mar 1989	% change
ales	231.97	226.70	2
r income	42.87	34.89	23
se duty	34.18	30.13	13
material costs	97.90	70.53	39
loyees' costs	16.71	17.72	– 6
r expenses	18.74	18.84	
ufacturing nses	71.97	54.86	31
est	48.51	35.57	36
eciation	20.56	17.51	17
s profit	56.74	50.29	13
	16.00	14.50	10
rofit	40.74	35.79	14
y capital	49.17	44.93	
ves & surplus	259.26	210.93	
wings	341.29	258.50	
lock	212.93	164.34	
tments	296.62	227.64	
end (%)	30.00	31.00	
et price (Rs.)			
rrent	116.00		
90: High	165.00		
Low	95.00		

t sales during the year rose by a mea- 30 per cent. Cost of raw materials tocks went up by 39 per cent which, rcentage to sales was higher by nine s at 36.78 per cent (27.46 per cent). e company's operations being power sive, a hike in electricity rates and rices resulted in manufacturing ex- s (mainly power and fuel) rising by r cent. Despite this, profitability im- d due to higher income from other sources by 23 per cent. The company, has, over the years invested huge amounts in UTI and tax free public sector bonds (aggregating Rs.286.53 crore as on 31 March 1990). Higher income from other sources partially offset the impact of higher interest charges. The company's profit before tax was higher by Rs.2.76 due to change in various accounting policies.

These two factors helped improve margins; operating margins improved by five points to 40.74 per cent (35.79 per cent), gross margins by less than two points to 25.01 per cent (23.24 per cent) and net margins to 13.1 per cent (12.27 per cent). EPS on enlarged capital (resulting from amalgamation of Tata Fertilisers) improved to Rs.8.29 (Rs.7.96). However, dividend was reduced to 30 per cent (31 per cent) on this account and Rs.20.75 crore was added to reserves.

With the commencement of Gujarat Heavy Chemicals (of Dalmias), the soda ash market has become more competitive. Sales volume of soda ash declined by 9 per cent to 556,000 tonnes (611,000 tonnes). Sales volume of sodium bi-carbonate also declined by 20 per cent to 28,252 tonnes (35,512 tonnes).

The company still awaits clearance under the broadbanding scheme to manufacture machinery for the chemical, fertiliser, petrochemical and pharmaceutical industry. Tata Fertiliser will start its operations by mid-1993. Its project cost has gone up by Rs.115 crore to Rs.980 crore. The company proposes to issue partly convertible debentures aggregating Rs.400 crore to finance the fertiliser project. The company is also participating in the Rs.3,000 crore Haldia Petrochemical project along with Tata Tea. However, its participation in the Karnal refinery has been rejected by the government.

Against the industry's average price-earnings ratio of 18 times, the scrip is underpriced at a lower P/E ratio of 14 times possibly apprehensive of servicing a large equity base. During the year, bonus shares will be issued in the ratio of 1:2, taking equity capital to Rs.73.76 crore.

Cable Corporation of India

Sales up; margins under pressure; marketing tie-up with Bharat Bijlee concludes; ongoing expansion well underway; export potential brightens

Cable Corporation of India (CCI), in which Siemens and the Dilip Khatau group together hold 65 per cent of the equity, has performed well in sales. Volumewise, sales has increased marginally by 4 per cent (on an annualised basis), with unit realisation higher by 23 per cent at Rs.1.34 lakh per kilometre (Rs.1.09 lakh per kilometre).

Despite this increase, the rising cost of major raw materials like copper, aluminium and lead put profit margins under pressure. At gross levels it fell to 14.41 per cent (19.14 per cent) while at net levels

Cable Corporation *(Rs crore)*

Year ended	31 Mar 1990	31 Mar 1989*	% change†
Net sales	108.98	100.08	36
Other income	3.84	4.94	– 3
Excise duty	19.48	22.06	10
Raw material costs	49.75	52.20	19
Employees' costs	9.05	10.44	8
Interest	1.49	1.27	47
Gross profit	15.71	19.16	2
Depreciation	1.38	2.25	– 23
Taxation	4.44	6.58	– 15
Profit after tax	9.89	10.33	19
Equity capital	9.00	9.00	
Reserves & surplus	25.93	18.67	
Gross block	28.04	23.60	
Dividend (%)	28.00	27.50	
Market price (Rs.)			
Current	83.75		
1990: High	85.00		
Low	59.00		

** 15 months † annualised*

this stood at 9.07 per cent (10.32 per cent). But for the lower provision made for depreciation and taxation, the net profit would have dipped further.

The change in accounting methods for computing depreciation has lowered the depreciation charge for the year by Rs.1.10 crore. Consumption of imported raw materials as a percentage of the total raw materials consumed also increased to 37.98 per cent (26.43 per cent). Nevertheless, the company has been able to pass on some of the increase in raw material costs to the consumer as is evident from sales realisation values.

Meanwhile the company's arrangement for marketing motors and pumpsets, manufactured by Bharat Bijlee, expired as of August 1990. This might affect the current year's working slightly as this accounted for around 20 per cent of CCI's turnover. Production of fluoropolymer

Khatau Junker Limited

REGISTERED OFFICE: UDYOG MANDIR COMPOUND, 7/C BHAGAOJI KEER MARG, MAHIM, BOMBAY-400 016.

CHAIRMAN'S STATEMENT

HIGHLIGHTS

Company on a high-growth path

Sales up by 91.4%

New upgraded Monocrotophos plant commissioned.

Modernisation of existing Malathion and Dimethoate Plant.

Venturing into high quality hybrid seeds

Diversification into Dyestuffs with a modern plant for Vat Dyes.



DILIP D. KHATAU

25th Annual General Meeting of the Company – on 13th September, 1990

Dear Shareholders,

It gives me great pleasure in welcoming you to the 25th Annual General Meeting of your Company. The Annual Report and Accounts for the year ended 31st March '90 have been mailed to all of you and you would have had an opportunity of studying it in detail.

BETTER RESULTS

The Company performed extremely well in its Silver Jubilee year ended on 31st March, 1990. The turnover during the year increased to Rs. 16.52 crores from Rs. 10.79 crores in the previous 15 months period, registering a growth of 91.4% on an annualised basis. The Net Profit after Tax more than tripled on an annualised basis at Rs. 77.62 lacs as against Rs. 30.85 lacs for the previous 15 months.

Encouraged by the improved working your Directors have recommended a higher dividend of 25% (including Silver Jubilee dividend of 5%) as compared to 12% annualised dividend for the previous period.

AGRO-CHEMICAL DIVISION

During the year ended 31st March '90, your Company introduced two more Agro-Chemicals namely Phosphamidon and DDVP. These products are broad spectrum insecticides having use on commercial crops such as cotton, chillies, groundnut, vegetables, pulses etc. Both these products have been introduced with inhouse technology and have been well accepted in the market. The Company has very successfully launched a wide spectrum of agrochemical formulations all over India in Andhra Pradesh, Karnataka, Tamil Nadu, Punjab, Haryana, Rajasthan, Gujarat, Madhya Pradesh, Maharashtra and West Bengal. I am also pleased to inform you that the Company has just commissioned an upgraded Monocrotophos technical plant with a capacity of 600 tonnes per annum.
The Agro-Chemical Division is also in the process of modernising its existing Malathion and Dimethoate plant which will enable it to introduce some more products such as Chlorpyriphos, Glyphosate, Ethion etc.

ELECTRICAL DIVISION

Your Company's Electrical Division is also doing extremely well. With the continued shortage of power in the country there is a realisation on the part of the Government and other authorities to utilise power with greater care by cutting down the waste. Capacitors play an important part in these efforts and with this scenario the Company is confident that there will be an increasing demand for its products in the years to come. In fact your Company has adequate orders on hand to utilise the entire production capacity for the current year. Studies are also being carried out to identify products of an allied nature that can be added to the present range of products.

OUTLOOK FOR THE CURRENT YEAR

Your Company has been doing well in the current year. During the first five months of the current year, the Company has achieved a turnover of Rs. 10.26 crores as compared to Rs. 6.47 crores in the corresponding period of the previous year, thus recording an impressive growth rate of 59%. As mentioned earlier, with the commencement of the Monocrotophos plant and the onset of a good monsoon, and considering the orders-on-hand position of the electrical division, your Company is confident of achieving a substantially higher turnover and profits in the current financial year.

DIVERSIFICATION

VAT AND DISPERSE DYES

Your Company is entering a new field to manufacture Vat Dyes to fruitfully exploit high potential export markets and a growing demand in the domestic market. A modern plant is being put up at Ankleshwar in Gujarat which is a notified backward area. Your Company has already acquired land admeasuring 1,00,000 sq. mtr. at Ankleshwar and commercial production is expected to commence sometime in the second half of next financial year i.e. 1991-92.

SEEDS

As a part of your Company's plan for diversifying into other Agro inputs, it is proposed to launch the production and marketing of very high quality hybrid Seeds for various commercial crops and vegetables throughout India. The Seeds that will be marketed will be of the highest quality backed by substantial Research & Development efforts and overseas know-how.

The national demand and supply gap for hybrid Seeds for various crops is substantial for seeds like Sorghum, Millets, Cotton, Corn, Sunflower, Jute, Soya. The total demand for Seeds can be estimated anywhere around 6,00,000 metric tonnes whereas supply is around 10% of its requirement. More and more farmers are taking to hybrid Seeds to increase yield and this gives the Company an opportunity to serve the farmers better and enhance the output of their farms.

PUBLIC ISSUE

To part finance the expenditure envisaged for the above stated modernisation and diversification, the Company proposes to issue 14% Secured Partially Convertible Debentures for an aggregate value not exceeding Rs. 15 crores. The detailed terms of this issue are stated in the Notice for the meeting.

ACKNOWLEDGEMENTS

In conclusion, I would like to sincerely thank my colleagues on the Board for their wise counsel and support, management at all levels for their untiring efforts to improve the productivity and profitability of the Company and our staff and workers for promoting healthy and cordial industrial relations in both our units. I also wish to express our thanks to the Central Government and the State Governments of Maharashtra and Gujarat, Financial Institutions and the Company's Bankers for their continued support and assistance. Finally the Board and I are grateful to you Shareholders, Fixed Depositholders and Investors for your continued support and goodwill.

Thank you,

DILIP D. KHATAU
Chairman

Bombay
Dated: 13th September, 1990

Note: This does not purport to be a record of the proceedings of the Annual General Meeting.

pecial elastomeric cables have sta-
d. CCI's expansion and diversifica-
plans, completion of its extra high
ge cable (EHVC) project will be car-
hrough by the end of the current fi-
al year. This project will enable CCI
r 132 kv, 220 kv and higher voltage
cables. The project is with technical
oration of Mitsubishi, Japan.
has recently bagged an export or-
rth Rs.2.5 crore from Malaysia, and
mpany is now actively considering
foreign markets.

kand

t incentives higher than net profit;
nd stepped up; margins under
re due to escalation in input costs
anufacturing expenses with lim-
oating stock; the scrip tipped to
Rs.200

d announced a 13 per cent increase
s at Rs.215 crore during the first five
s of the current year, against Rs.190
n the corresponding period last
or the year ended 31 March 1991,
les is likely to be higher by 23 per
Rs.650 crore against Rs.527 crore
1989-90.
and, jointly run by the Shahs and

nd			*(Rs crore)*
ded	31 Mar 1990	31 Mar 1989*	% change†
s	501.71	303.57	24
come	5.01	1.72	115
cturing s	61.67	37.04	25
terial costs	347.98	202.20	29
es' costs	24.87	17.70	5
penses (after expenses ed)	12.82	13.49	– 29
	26.98	12.69	59
tion	9.31	5.91	18
	3.90	2.85	2
t	19.03	17.51	– 18
apital	14.74	14.74	
& surplus	92.76	80.22	
gs	154.55	123.78	
	135.67	112.30	
(%)	30.00	20.00	
rice (Rs.)			
t	166.00		
High	170.00		
Low	127.00		

s † annualised

Bajaj, suffered a setback in its working for the year ended 31 March 1990, due to a sharp escalation in imported scrap and nickel, higher manufacturing and interest and depreciation charges. Further damage to the bottomline was prevented, thanks to a 115 per cent increase in income from other sources at Rs.5.01 crore (Rs.1.75 crore).

Exports increased further to Rs.34.9 crore against Rs.21.9 crore in the previous 9-month period, an increase of 19.5 per cent on an annualised basis. Exports during the first five months, (April to August) of the current year, shot up by 150 per cent to Rs.25 crore (Rs.10 crore). Exports during 1990-91 are expected to grow by 43 per cent to Rs.50 crore against Rs.34.9 crore during 1989-90.

Due to higher steel prices in India, in comparison with international prices, Mukand earns export incentives, which is higher than its net profit. During the year, export incentives at Rs.21.58 crore (Rs.16.61 crore) was lower by about 3 per cent on an annualised basis.

Net sales during the year was higher. Due to escalation in raw material costs and higher manufacturing expenses, operating margins declined by a point to 11.12 per cent (12.26 per cent). As a result, operating profits could only increase by 14 per cent to Rs.59.22 crore (Rs.38.96 crore). Due to substantially higher interest charges, gross profit declined, with gross margins declining by two points to 6.06 per cent (8.27 per cent) and net margins to 3.57 per cent (5.51 per cent).

With the depletion in the country's foreign exchange reserves, the company had to import scrap, nickel and other raw materials under replenishment licences, resulting in higher raw materials cost, as a percentage of sales, of 66 per cent (64 per cent). Manufacturing expenses also rose. Interest charges during the year increased on account of higher borrowings which went up by Rs.30.77 crore. This was used to finance additions to the gross block; funds blocked in various subsidiaries (some of which are sick) and a higher level of inventories. Interest coverage ratio which was 3.07 times in the previous period, came down to 2.19.

Lower profits resulted in the EPS going down by three points to Rs.12.91 (against an annualised EPS of Rs.15.84 in the previous period). Dividend was however, stepped up to 30 per cent, as a result of which payout ratio went up, from 16.84 to 23.24 per cent.

At the current market price of Rs.166, Mukand's earnings are discounted by about 13 times. Despite the setback in its working, the scrip went up to Rs.190 from Rs.128 on speculative buying. Although the margins are expected to be under pressure even in the current year, the scrip is tipped to touch Rs.200. The floating stock in the scrip is less than 40 per cent, making the bulls' work easier.

Ferro Alloys

Exports decline; power cuts and increase in tariff rates affect profitability; international prices of ferro alloys and charge chrome fall further; industry prospects not encouraging

Ferro Alloys has suffered a setback in its working for the year ended 31 March 1990 owing to power problems, reduced income from other sources and higher overheads. The company is engaged in the manufacture of charge chrome, special steels and is the largest producer of ferro alloys in the country.

During the year, sales improved marginally by 2 per cent on an annualised basis while other income and operating profit declined by 44 per cent and 5 per cent respectively. Due to lower depreciation charges, decline in net profit was restricted.

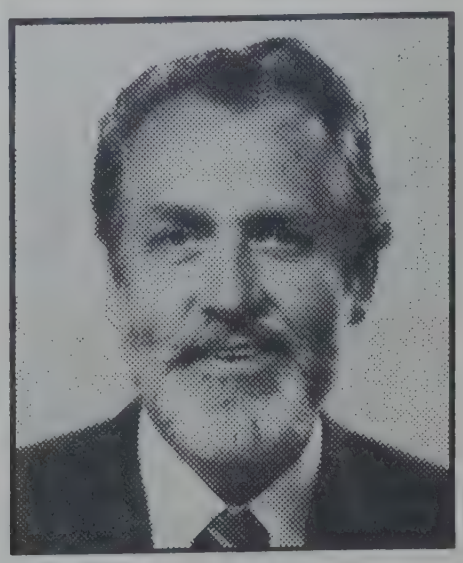
Exports during the year was lower by 16 per cent (annualised) at Rs.61.66 crore against Rs.55.02 crore of the previous 9-month period. This was due to reduced international prices for ferro chrome and charge chrome in the second half of the year on account of large-scale dumping by South-African producers. This affected the working of the company so much that gross margins in the second half of the year nosedived to 5.7 per cent against 16.1 per cent in the first 6-month period ended 30 September 1990.

In the domestic market too, the company had to face competition from small scale manufacturers. Ferro Alloys account for about 45 per cent of total sales. Its sales volume declined by about 17 per cent on an annualised basis to 39,437 tonnes (35,442 tonnes). However, realisation improved by 23 per cent to Rs.24,200 (Rs.19,669). Sales volume of charge chrome (which accounts for 26 per cent of total sales) also declined by 20 per cent. Sales volume of steel rolled products was almost stagnant at 21,812 tonnes (16,221 tonnes).

Power and fuel cost as a percentage of

Burroughs Wellcor

Registered Office: 16 NGN Vaidya Mar



Mr. Keith Gay

Ladies and Gentlemen,

I have great pleasure in welcoming you to this annual general meeting.

In the past thirteen months since I addressed you last the world has witnessed several dramatic changes. In the Soviet Union, in Eastern Europe and Germany, in particular, the political and economic transformation that has taken place was unimaginable a few years ago. The situation in the Middle-East has cast a pall of gloom and anxiety throughout the world which seems to deepen with every passing day. So wide-ranging and sweeping are the changes that they are bound to leave their lasting footprints on the sands of human history.

These developments have also brought the world even closer together – ideologically and economically. Nations and regions can no longer remain insular, sheltered and protected from the winds of change that blow across national boundaries, bringing in new ideas, new perceptions, new innovations and new awareness. Industry and business in general, and more so the pharmaceutical industry, are sensitive to and are directly affected by these changes. Pharmaceutical industry is like no other; it is an industry that is truly international in character and orientation because sickness and disease know no national barriers.

NATIONAL SCENE

Nearer home in India, no less significant but perhaps less revolutionary changes have taken place. A new Government has assumed power at the Centre after what must surely have been the largest and most exciting general election in the world. In the peaceful and orderly transition to a new national Government by another political party the nation has once again demonstrated its faith and commitment to the democratic way of life

The new Government has taken a number of steps to stimulate economic growth, industrial development and export. Among these are rationalisation of the tax structure and further liberalisation of industrial licensing and controls. These are welcome steps and I do hope that this will continue and will be accelerated in future

ECONOMIC TREND

1989-90 was a none too bright year for the Indian economy. There were signs of a slow down in the growth rate. Industrial production decelerated somewhat while agricultural output did not increase much beyond the peak reached in the previous year. The overall inflation rate, which was contained at 5.7% in the previous year, rose to 7.7% in February 1990. The balance of payments position continued to remain under considerable pressure despite a buoyant trend in exports and a slowdown in the growth of imports. Administered prices of industrial products, except iron and steel and non-ferrous metals, remained unchanged. Nevertheless, there has been a substantial increase in the support/procurement prices of agricultural commodities mainly to provide incentive to farmers to increase production and to assist procurement of those products

THE PHARMACEUTICAL INDUSTRY

The pharmaceutical sector again presented a mixed picture. Output of bulk drugs in 1989-90, valued at Rs. 610 crores, registered a growth rate of 10.9% over the past year and formulations, valued at Rs. 3360 crores, increased 6.7% over the previous year. The encouraging trend of export witnessed in the past was further accelerated with exports reaching a record level of Rs. 664.7 crores far exceeding imports in terms of value. The industry, for the second consecutive year since Independence, emerged as a net exporter of drugs. This is as much a tribute to the Indian quality standards as to our competitive strength in the international markets.

DRUG PRICING

In sharp contrast the domestic pricing scenario was depressing. While the cost of locally procured inputs and services continued to escalate, the sharply declining va Rupee vis-a-vis major foreign currencies rendered essential imports of bulk drugs materials prohibitively expensive. Timely and realistic adjustment of end product p critically important at a time like this. But, unfortunately, the Ministry had chosen to virtual freeze onpricessince October 1989, even for prices reviewed and recommend Bureau of Industrial Costs and Prices (BICP). In the few cases where price revis allowed, these were subject toarbitrarilyimposed ceilings regardless of the factual fin recommendations of the BICP. No less arbitrary were prices notified for the drug under control since February 1990. In complete disregard of the existing practic prices on the basis of cost studies conducted by BICP, totally unrealistic prices we without any rational basis.

These decisions were all the more unjustified for another reason. Medicines contin one of the few essential commodities in which price rise was the minimum since th Drug Prices Control Order (DPCO) was issued in August 1987. The average rise in d was 5.3% in 1988, 5.5% in 1989 and 6.3% in 1990, as compared with the base y This compared very favourably with the general inflation rate in the eoonomy:10.7% in 5.7% in 1988-89 and 7.7% (provisional) in 1989-90. Even in the few cases in which increase was more than the average (e.g., some decontrolled drugs) the increase h place after several years and was fully justified by the rise in the cost of inputs, services a In other words, compared to prices in general, there has been a relative decline in drug

Another decision which has caused considerable anxiety and concern is to make u unrealistic demands for recovery of so-called "unintended profit". The Minstry's insis no legal provision exists for allowing any set-offs is simply going to drive the c concerned to the courts of law. Protracted and expensive litigation between the Go and manufacturers will further vitiate the atmosphere and act as a strong disinc increasing production and investment.

POLICY & PRACTICE

There is yet another area in which there is dichotomy between policy and practice. annual report of the Department of Chemicals and Petrochemicals, Ministry of Petro Chemicals, which is the administrative Department for the pharmaceutical industr "further relaxation of price control" with the ultimate aim of complete decontrol of pri the Government retaining "only the power to impose control in respect of those where it is considered necessary on selective basis". But the actions of the Ministry g to the letter and spirit of this statement.

It is unfortunate that when a policy of liberalisation and competition is being pursu national economy as a whole, one sector of it is singled out for discriminatory treatme more, rather than less crippling and unproductive controls.

The experience of the past two decades of price control has surely demonstr product-wise control of prices cannot be administered in a fair and equitable man needs to be done is to progressively dismantle the restrictive regulations and competition which alone will ensure both availability and optimum prices. Further co equally surely result in gradual decline of the domestic pharmaceutical industry and i dependence on imports.

REGULATORY OVERKILL

The cumulative result of this regulatory overkill was that production of many esser remained uneconomic because prices fixed for them were insufficient to cover costs a reasonable margin to the producer. Secondly, while costs were rapidly ris fixation/revision involved long delays and when a price increase did emerge from the review process it was already out of date. Thus low prices have been achieved by s the manufacturer to a point when new investment almost dried up, production essential drugs stagnated, if not declined, and many units diversified into non-pharm businesses for survival.

The demand for medicines, by the very nature of the products, is not price Therefore, their prices need to be monitored the same way as other essential com However, more than other commodities, availability and efficacy of medicines n precedence over price. It is these vital areas that need the Government's attention that reasonable prices are charged for essential medicines and quality standards a observed. On both counts official policies pursued have been manifestly unsuccess are too many examples, including a number of tragic instances, of sub-standard qua being on the market. Prices which were kept down at an artificially low level have th served as a disincentive to expanding production.

A major determinant of demand is the availability of medical and para-medical particularly in the rural areas where consumption of medicines are less than one-fou of the urban areas. This is much less a reflection of the difference in purchasing powe result of unavailability of medical advice as to what medicine to use. Competition manufacturers can ensure abundant availability at reasonable prices far more effect any rules and regulations imposed by the Government. But the Government must take steps to make available at least basic medical services in the rural areas, and mu adequate and effective monitoring of the quality of medicines put on the marke particular, procured by hospitals and other institutions where prices tend to be consideration for purchase.

ndia) Limited

treet), Bombay 400 023.

Wellcome

OUR COMMITMENT TO QUALITY IS ALL PERVASIVE AND TOTAL

of the Chairman, Mr. Keith Gay delivered at the Forty-First Annual General Meeting of the Company held on Thursday, 20th September, 1990.

UPPORT

d the scope of my address to spell out in detail the policy support needed by the tical industry. This has already been done by the premier associations of the industry – n of Pharmaceutical Producers of India (OPPI) and Indian Drug Manufacturers (IDMA). I would only touch upon a few points which I consider fundamental to the development of the industry.

should be stability and continuity of Government policies. Frequent changes in create uncertainties and lack of confidence. Confidence is a sensitive plant of slow h; it does not thrive in an atmosphere of uncertainty, sudden shifts and changes in

should be no major change in categorisation of drugs. Nor should more drugs be d to the price control basket which currently accounts for over 75% of the market in of sales.

pan of price control should be progressively reduced with the ultimate aim of lete decontrol.

sure the economic viability of the industry the pricing scheme should be such as to e a reasonable return on investment and sufficient surplus for plough back for modern- and expansion and encourage more investment in Research & Development.

ecoveries for the Drug Prices Equalisation Account (DPEA) must be made after for cost escalations of inputs not allowed or only partially allowed in the prices of bulk and formulations as well as for unreasonable delays in granting justifiable price revisions.

stand and appreciate the concern of the Government about the cost of medicine. y is in any event, committed to reducing costs through adoption of more efficient s, economies of scale, better inventory control and greater competition.

S IN FAMILY BUDGET

however, needs to be put into proper perspective. According to the Annual Report f Central Statistical Organisation, health care expenses form less than 3% of the usehold budget. Of this, cost of medicines accounts for only about 16%, which be less than 50 paise per Rs. 100 of household expenditure. Even an increase of 20% ge prices of medicines will only amount to about ten paise or 0.1% increase in the budget.

ve and unfounded apprehension about drug pricing is obscuring another basic and act: the income level of that section of the population who cannot buy modern s such that holding prices at current levels or even reducing them by 10% - 20% will drugs within their reach to any noticeable extent. The beneficiaries of arbitrary and ction in prices will be mostly those who can afford to pay a reasonable price for The drug manufacturers are, therefore, being compelled to sacrifice even modest hout any corresponding benefits to the large weaker section of our society. The sult of drug price control has been, and will continue to be, undermining the viability try and the long term interest of the consumer.

ment's objective of making available medicines to the weaker section of the society ntially be achieved by subsidising essential medicines supplied under the national rammes. The industry has in the past offered medicines for the Government's programmes at specially low prices.It stands by this commitment and is willing to ntribution to solving this national problem.

ANCE AND FUTURE OUTLOOK

ny's sales of medical products, net of excise duty, for the thirteen months period w, amounted to Rs. 68.13 crores as against Rs. 91.67 crores for the previous onths period ended 28th February 1989, representing a marginal increase of approximately 3% on an annualised basis. The post-tax profit achieved by the Company for the period under review was Rs. 192 lakhs as compared to Rs. 541 lakhs for the previous period. The profits have been severely eroded due to increase in input costs, overhead expenses, interest charges and depreciation of the rupee against foreign currencies. There were hardly any price revisions consequent to considerable increases in costs of inputs, during the period under review. Since October 1989, all the price revision applications for formulations including those already cleared by the BICP according to the present guidelines, have been kept pending by the Government till the review of the Drug Policy of 1986 and DPCO 1987, based on the recommendations of the Standing Committee appointed for this purpose, was completed. However, on persistent request from the Industry, it is understood that the Government have now started granting price revisions against these long pending applications, but this is being done on an ad hoc basis, regardless of the price increases applied for or even the recommendations made by the BICP. The Company was recently granted a price revision for one of its formulations against an application submitted about a year ago, and the price increase allowed was a meagre 5% of the existing price !

"The experience of the past two decades of price control has surely demonstrated that product-wise control of prices cannot be administered in a fair and equitable manner. What needs to be done is to progressively dismantle the restrictive regulations and promote competition which alone will ensure both availability and optimum prices. Further controls will equally surely result in gradual decline of the domestic pharmaceutical industry and increasing dependence on imports."

With regard to the future, the Company is paying particular attention to the development of business in its existing line of products for which there is a considerable potential for growth and also to expanding the range of its products. ZOVIRAX (Acyclovir), a new antiviral drug of Wellcome discovery for the treatment of herpes virus infections, has recently been introduced in certain selected markets in the country, and the initial market response is very encouraging TRACRIUM (Atracurium), a revolutionary surgical muscle relaxant and another landmark discovery of Wellcome, is expected to be launched later during the current year. A drug for respiratory complaints with a new delivery system locally developed, for which bio-availability studies have been completed, is also scheduled to be introduced in the market during this year

Negotiations are in progress with some international companies for licensing in of potential new drugs, and a Letter of Intent has been signed with one such company for the marketing of a new generation antibiotic. Subject to the completion of the necessary legal formalities, hopefully this may be launched in the country towards the end of this year

I am happy to inform you of the satisfactory sales trend during the current year, in that sales for the five month period ended 31st August 1990 shows an increase of more than 26% over the comparative period of the previous year. This is no doubt encouraging but the future of your Company, as of the entire drug industry, will all depend on the proposed review of the Drug Policy and DPCO, particularly of the latter, which is now being undertaken by the Government

ACKNOWLEDGEMENT

May I, on behalf of the Board of Directors, express my sincere gratitude to our Shareholders for their whole-hearted support and co-operation.

I also wish to record, on behalf of the Board of Directors, our deep appreciation of the devoted services of all sections of the employees of the Company, throughout the year

N.B.: This does not purport to be a report of the proceedings of the Annual General Meeting.

Numaish/BWIL/90.

sales went up from 18.86 to 20.18 per cent, the company's operations being power-intensive. In absolute terms the cost increased by about 10 per cent (annualised) to Rs.43.57 crore (Rs.29.91 crore). The working was not only affected by frequent hikes in tariff rates but also by erratic power supply in Andhra Pradesh and Orissa. Power cuts going up to 50 per cent, the production of ferro alloys declined by 26 per cent.

Following the premium rights issue, equity capital increased by Rs.3.21 crore to Rs.8.73 crore, and Rs.12.84 crore was added to the share premium account. An enhanced capital, along with lower profits, resulted in the EPS declining to Rs.16.88 against an annualised EPS of Rs.27.29 in the previous period. Dividend is lower, but payout is maintained at 9.7 per cent as pro-rata dividend was paid on new rights shares.

Ferro Alloys *(Rs crore)*

Year ended	31 Mar 1990	31 Mar 1989*	% change†
Gross sales	215.89	158.61	2
Other income	5.18	6.94	44
Power & fuel	43.57	29.91	9
Raw material costs	79.59	60.26	– 1
Employees' costs	18.28	10.90	26
Other expenses	49.81	41.01	– 9
Interest	7.52	5.52	2
Depreciation	7.56	6.65	– 15
Net profit	14.74	11.30	– 2
Equity capital	8.73	5.52	
Reserves & surplus	55.80	29.91	
Borrowings	134.88	82.82	
Gross block	93.45	52.58	
Dividend (%)	25.00	20.00	
Market price (Rs.)			
Current	66.00		
1990: High	126.00		
Low	60.00		

* 9 months † annualised

Prospects for the current year are not encouraging. The charge chrome unit was shut down during the first two months of the current year. International prices for charge chrome have declined further. Power problems will continue to affect the working till their captive power plant begins production. All these have caused the scrip to tumble down to Rs.65, from a 1990 high of Rs.122. The industry's average ratio has fallen from 11.4 times in March 1989 to just 4.4.

Videocon International

Policy of selling large volumes at lower margins succeeds; record EPS and dividend; plans to issue convertible debentures to finance expansion plans; scrip peaks at Rs.500

Videocon is going great guns despite controversies. Videocon International, the group's flagship company, has reported bumper profits in just the second year of its operation. It is also considered a blue chip company and scrips are quoting at over 50 times their face value on the stock exchanges.

The policy of selling volumes at lower margins has left its competitors way behind. For the year ended 31 March 1990, sales registered a fivefold increase on an annualised basis to Rs.417.60 crore against Rs.105.74 crore in the previous 18-month period ended 31 March 1989. The increase in operating profit was less than proportionate at 371 per cent against 492 per cent rise in sales mainly due to escalation in input costs and higher overheads. Despite substantially higher interest, depreciation and tax liability, gross profit increased by over fourfold and net profit by over fivefold.

To implement the first phase of its expansion plans, substantial additions were made to the gross block. The funds for this were raised by issuing debentures and bank loans. Additional funds were also required to finance increased working capital requirements. This pushed up interest and depreciation charges substantially.

On the conversion of debentures, equity capital increased from Rs.2.50 crore to Rs.4.22 crore. Even on the enhanced capital, the company has posted a record EPS of Rs.64.36 against annualised EPS of Rs.16.85 in the previous period. This and the forthcoming debenture issue must have prompted the management to more than double the dividend from 26.67 per cent (annualised) to 60 per cent. Still, the company ploughed back 94 per cent of its profits (on Rs.25.42 crore) against 84 per cent in the previous period (or Rs.5.32 crore).

Exports during the year amounted to Rs.94.71 crore. Exports were mainly to the Soviet Union and other rupee trade countries. Adverse press reports and excise raids which could affect the company's profitability, however, do not bother them. Implementation of the second phase of its expansion plans costing crore are on.

The scrip, after announcement unaudited results reacted between to Rs.205. However, declaration of dividend and attractive terms of th posed debenture issue has sent th through the roof to Rs.500. At the c market price of Rs.480, the P/E works out to around eight times.

The company is expected to br earlier records of bumper profits f first six months of the current yea scrip is tipped to rule firm till th budget.

Videocon International *(Rs*

Year ended	31 Mar 1990	31 Mar 1989*
Gross sales	417.60	105.74
Other income	0.17	0.15
Raw material costs	338.42	83.51
Employees' costs	2.46	0.41
Other expenses	32.20	7.75
Interest	4.73	2.47
Depreciation	11.23	5.24
Tax	2.00	0.35
Net profit	27.16	6.32
Equity capital	4.22	2.50
Reserves & surplus	33.43	5.68
Borrowings	71.77	13.15
Gross block	32.44	7.02
Net current assets	75.73	43.71
Dividend (%)	60.00	40.00
Market price (Rs.)		
Current	480.00	
1990: High	500.00	
Low	100.00	

* *18 months* † *annualised*

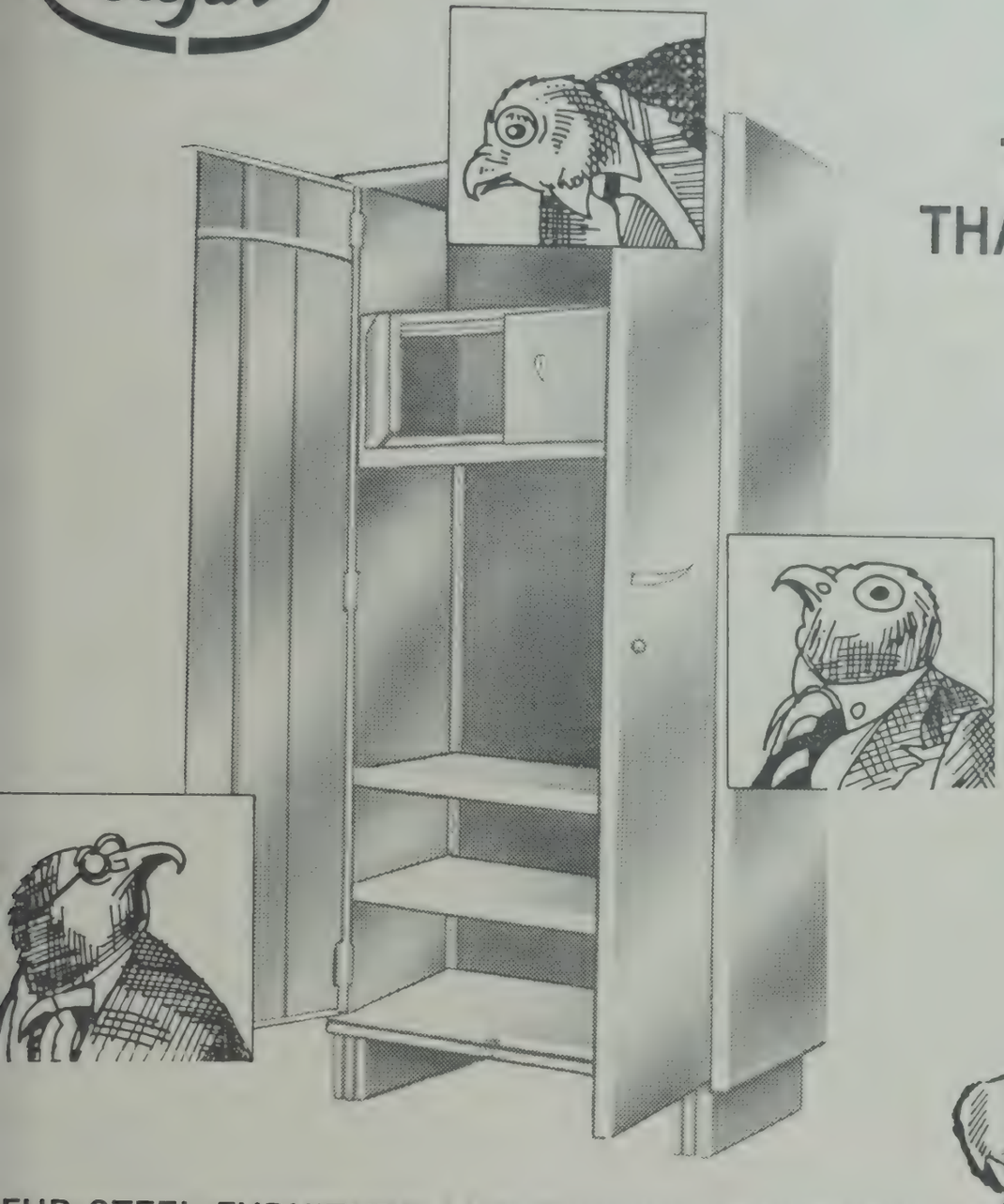
RESULTS ANNOUNCE

Khatau Junker

Khatau Junker has in its silver jubil declared a 25 per cent dividend (i ing 5 per cent silver jubilee dividen company's performance for the ye ded March 1990 is impressive, wit over crossing the Rs.15 crore m Rs.16.52 crore. On an annualised b has increased by 91.4 per cent. The at net level has tripled to Rs.77.6 (Rs.30.85 lakh).

The company has drawn up ma versification and modernisatio grammes. It plans to set up a pl

Elefur



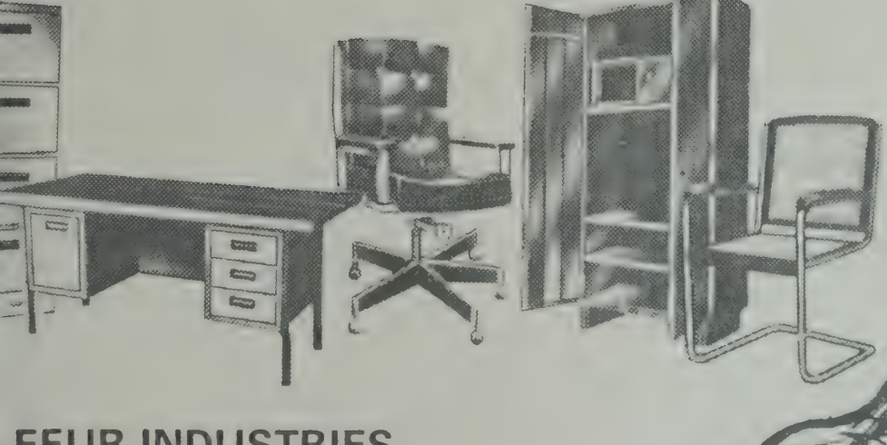
THE FURNITURE THAT HAS PASSED THE EAGLE SCRUTINY...

At every meeting the chairman quotes his obsessive quotation, without fail. 'Gentlemen, remember trifles make perfection and perfection is no trifle..!'

We, the Elefur people, never boast about the perfect. We only say, we make elegant furniture. Look from any corner, any angle - you would only exclaim : "Ah, I like it..!"

Elefur furniture..
Quality products at competitive prices .. and speedy delivery with prompt after sales service, through country wide dealers.

FUR STEEL FURNITURE AND SECURITY EQUIPMENT



LEFUR INDUSTRIES
NDIA) PVT. LTD.
oodland, 8th Floor, Race Course Circle,
roda - 390 007
one : 320880, 328834 Grams : ELEFUR

TV ADS 5406

THE INSTITUTE OF CHARTERED FINANCIAL ANALYSTS OF INDIA



Dr. A. Besant C Raj, DBA (Harvard)
Chairman

CHAIRMAN'S SPEECH AT THE SIXTH ANNUAL GENERAL MEETING

It gives me great pleasure to welcome you to the 6th Annual General Meeting of the Institute. Your Institute has made considerable progress during 1989-90 in respect of academic programmes, enrolments, publications and other activities.

The CFA Programme

The CFA Programme, launched in collaboration with The Institute of Chartered Financial Analysts, USA, has continued to receive excellent response. The total enrolments in the CFA Programme crossed the 12,000-mark during the year.

Many companies in the corporate sector are reimbursing the CFA Programme fee to their employees enrolled in the Programme. It is notable that the Reserve Bank of India and other leading financial institutions like IDBI, ICICI, IFCI and UTI have already introduced fee reimbursement schemes for their employees enrolled in the CFA Programme. The CFA enrolments in the first four months of the current year has been very encouraging.

The Second Convocation

The Second Convocation of the Institute was held on September 1, 1990 at Hyderabad. The CFA designation was conferred on 35 candidates, who successfully completed the Programme. Medals and awards were given to the rank-holders in the CFA examinations. Mr. Alfred C Morley of The Institute of Chartered Financial Analysts, USA, delivered the keynote address.

Opportunity for Indian CFAs to acquire the CFA Designation from ICFA, USA

Our Institute and the ICFA, USA have agreed to conduct examinations on a pilot-project basis, to enable CFAs from our Institute to obtain the CFA designation from the American Institute by successfully completing certain selected papers. The first examinations under this arrangement, will be administered in June, 1991 by ICFA, USA in India.

The CFA Designation & ICAI

The CFA designation is an internationally recognised professional designation offered by our collaborator, ICFA, USA. We have adopted the same designation in India too, to conform to international standards.

As we mentioned, in our previous report, the Institute of Chartered Accountants of India (ICAI) took an unreasonable stand by issuing a controversial notification to their members. We are happy to inform you that the Honourable High Court of Andhra Pradesh has stayed the operation of this notification, while admitting a writ petition filed by our Institute and a number of Chartered Accountants. Consequently, an increasing number of Chartered Accountants and CA students are currently enrolling in the CFA Programme. Our Institute also received very favourable media coverage supporting the stand taken by our Institute.

The DBF Programme

As you are aware, our Institute launched the DBF (Diploma in Basic Finance) Programme, to spread knowledge and understanding of Finance among non-financial executives. It is heartening that over 1000 non-financial executives are enrolled in the DBF Programme.

Many leading organisations like Abbott Laboratories, Aruna Sugars & Enterprises, Asian Hotels, CMC, Carrier Aircon, Gujarat State Police Housing Corpn., HMM, HCL, Hindustan Ciba- Geigy, ITC, India Cements, Indian Hospitals, Madura Coats, Nicco Steels, Warner Hindustan, Zenith Computers etc., continue to sponsor their executives for this Programme. During the Second Convocation of our Institute, Diploma in Basic Finance was awarded to 14 candidates, who have successfully completed the study and the examinations.

A New Course on Merchant Banking & Financial Services

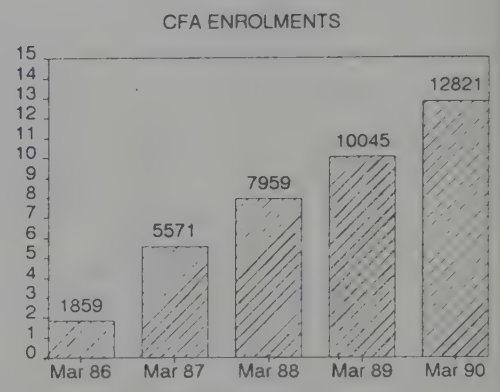
I am happy to inform you that our Board has recently decided to launch a new course on "Merchant Banking & Financial Services", during 1991-92, for the benefit of those who are working in these nascent fields. This new course is being developed by our Institute with professional help from selected business organisations under a unique "Business-Education Partnership" programme. Some of these organisations include:

- Ceat Financial Services Ltd
- Credit Capital Venture Fund (India) Ltd.
- Grindlay's Bank
- Hongkong Bank
- Indian Bank Mutual Fund
- Sundaram Finance Limited
- UTI Institute of Capital Markets
- Vysya Bank
- 20th Century Finance Corporation Ltd.

We sincerely believe that this new course on "Merchant Banking & Financial Services" will provide a sound base for study and development of this vital and growing service sector of our economy.

Asian Securities Analysts' Council

ICFAI is an active member of the Asian Securities Analysts' Council (ASAC) which was founded in 1979 to promote a co-operative relationship among securities analysts societies in Asia, to develop analytical techniques and generally to contribute to the role of securities analysis. ICFAI has been participating actively in the International Seminars organised by ASAC, including the 11th ASAC Conference at Seoul in 1989.



International Co-ordinating Committee

ICFAI is also a member of International Co-ordinating Committee of Financial Analysts Associations (ICCFAA) which consists of Financial Analysts Federation, USA, European Federation of Financial Analysts and ASAC. Among other things, ICCFAA, is evolving a common curricula for training financial analysts, on world-wide basis.

Seminars

In January 1990, the Institute organised a seminar on 'Recent Developments in Capital Markets' at Bombay. In February 1990, a seminar was conducted at Hyderabad on "Recent Developments in Financial Services."

The Chartered Financial Analyst Journal

During the year, the CFA Newsletter has been upgraded into a bi- monthly titled "Chartered Financial Analyst". Every attempt is being made to make this a first class journal for the benefit of the decision-makers in corporate finance, investments and financial services, in our country.

Acknowledgements

I wish to take this opportunity to thank the members and the ICFA, USA for extending enthusiastic support for the development of our Institute. I would also like to thank the Reserve Bank of India, IDBI, IFCI, ICICI and UTI for their encouragement and support to the CFA Programme. I also like to thank my colleagues on the Board, members of the Academic Council, various experts who are developing study material for us and members of staff of ICFAI for their continued support and help for our growth.

Hyderabad
September 12,1990.

Dr A Besant C Raj
Chairman

eshwar for the manufacture of vat This product has a vast potential in xport market. Commercial produc- s scheduled to commence in the sec- alf of the next financial year. Plans so afoot to venture into the produc- nd marketing of high quality hybrid for various commercial crops and ables. To part finance these plans, ompany will tap the capital market nds aggregating to Rs.15 crore.

ring the period under review, the any introduced two products, Phos- iden and DDVP which have received d response from the market.

C

Industries, the cigarette manufac- has declared a final dividend of 19 ent, which together with the earlier m aggregates to 35 per cent for the nded March 1990. The company has ssed an overall improvement, with es on an annualised basis up by 6 per o Rs.223 crore. After providing for ciation and taxation, the amount able for appropriation is Rs.5.39

e export turnover has more than ed to Rs.3.62 crore. During the cur- ear, the company plans to place emphasis on exports.

otophone ustries

phone Industries has notched a 118 nt higher turnover of Rs.48.45 crore n annualised basis) for the 15- period ending March 1990. After ling for interest and depreciation, ofit before tax is Rs.71.47 lakh as t a loss of Rs.53.89 lakh reported ar. On an annualised basis, sales of ot cameras jumped by 37 per cent hose that of Konica colour paper by r cent. An added contribution to the ny's turnover was the success of its p photo shops opened in 30 towns the country.

company's In-a-Snap instant cam- tems, using polaroid film, received proval of United Laboratory, USA, ere exported to Polaroid Corpora- r overseas distribution.

the first four months of the current ial year, the company's turnover creased by 21 per cent as compared to the corresponding period last year. The company plans to set up a film conversion plant in Goa which will manufacture Konica film.



IN BRIEF

Gujarat Narmada Electronics Ltd promoted by GNFC has commenced the implementation of its Rs.240 crore TV glass shell project.

Devidayal Electronics proposes a rights issue in the ratio of 1:1. This will increase the capital to Rs.1.17 crore.

Century Enka has recommended a bonus in the ratio of 2:5. The last bonus also in the same ratio was made in 1988.

IVP has received a licence to manufacture 6 million spark plugs per year. This unit will be set up in Andhra Pradesh.

Aegis Chemical is expanding its chemical storage division by 30,000 kilo litres. The company skipped dividend for the 18-month period ended March 90.

Textool has received the CCI consent for its convertible debenture issue. The issue is expected to open in the first week of December this year.

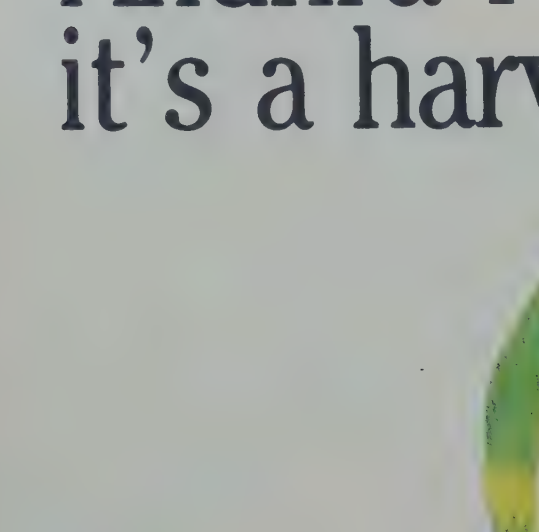
Rajasthan Petro is expanding its production capacity from 1,000 tpa to 3,750 tpa. This will be commissioned by end September.

General Electric company has planned to invest over Rs.50 crore in the next five years. This would involve an expanding product range and upgrading of its product and manufacturing technology.

Indian Dyestuff proposes to set up a 100 per cent EOU for the manufacture of copper phthalhocynines crude in collaboration with Enimont group of Italy.

IFCI has decided to issue 11.5 per cent bonds worth Rs.150 crore.

Every year
in the heartland of
Andhra Pradesh
it's a harvest of smiles.



A spirit of enterprise.
For the welfare of mankind.



This is the saga of a company over four decades old. The Andhra Sugars. Established in August, 1947. A modest sugar factory that began production in 1952 with a capacity of 600 tonnes per day, now crushes 5,000 tonnes per day. A quantum leap in capacity and a definite indicator of growth.

Over 150 villages and hundreds of farmers have benefited from the astute vision of The Andhra Sugars. Seeds, manure, pesticides and other technical inputs are provided and better cultivation methods imparted. The result - a bumper crop of sugarcane, year after year. And continuing economic stability for the farmers. Reflected in the smiles that greet each harvest.

The first in the country to introduce the diffusion system in sugar production, The Andhra Sugars has collaborated with a Belgian firm to manufacture sugarcane diffusers and has already supplied them to three plants in India. As part of a logical expansion and diversification plan, a distillery was set up in 1962 to produce industrial alcohol from molasses - a renewable raw material. Acetic acid, acetic anhydride, ethyl acetate, produced at the factory, find wide application in pharmaceuticals, textiles,paints and a host of other industries.

Identifying the need for fertilizer, a superphosphate plant was set up in 1960, with a capacity of 100 tonnes per day. Apart from fertilizer, sulphuric acid, caustic soda, caustic potash, chlorine, hydrochloric acid, chlorosulphonic acid and alum are produced at the inorganic chemicals complex at Kovvur.

Yet another sterling enterprise of The Andhra Sugars, is the Aspirin plant, contributing a major share to the annual production of Aspirin in the country.

The story of The Andhra Sugars has been one of planned growth and diversification. Soon, The Andhra Sugars will be diversifying into oils, soaps and petrochemicals. Now, this multi-crore conglomerate looks towards its golden jubilee year with keen anticipation and a renewed sense of commitment to industry. And progress.

THE ANDHRA SUGARS LTD.

Venkatarayapuram
Tanuku (West Godavari Dist.) Andhra Pradesh

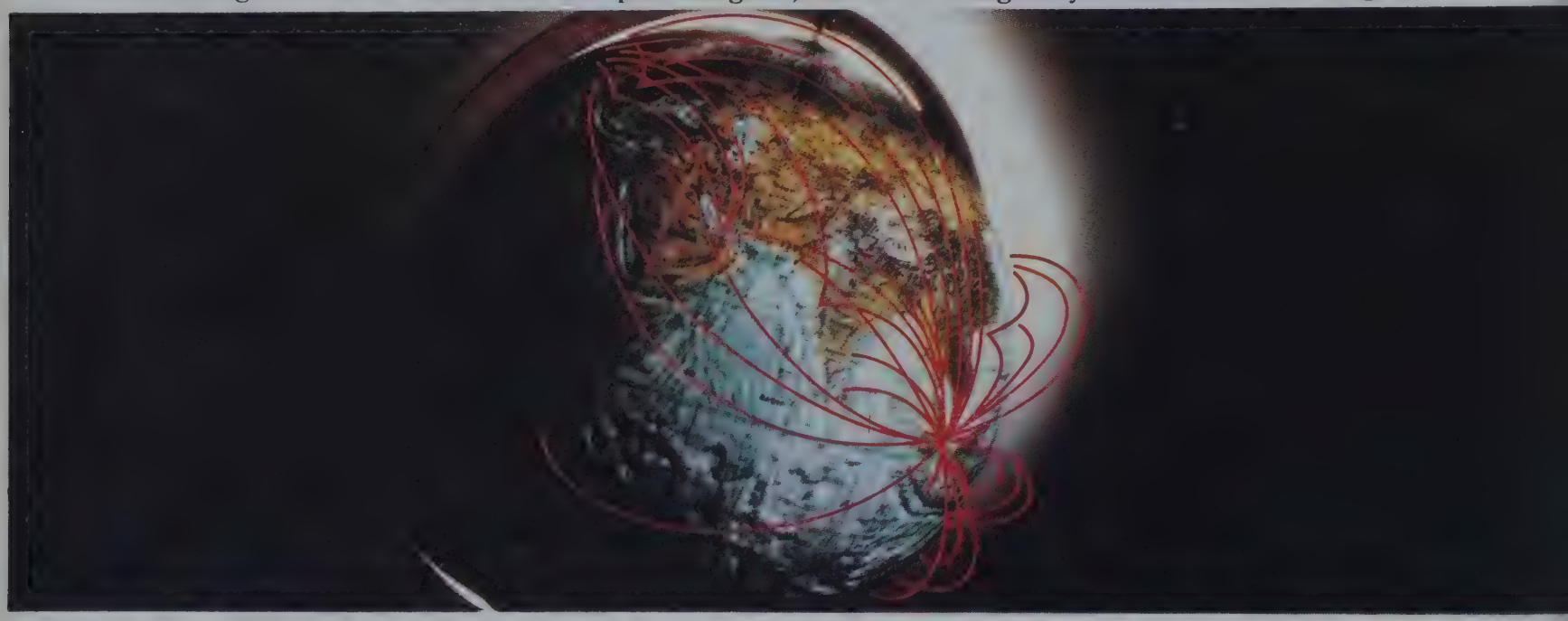
ORGANISED.

With valuable cargo to ship, you're looking for a carrier that plans ahead, a carrier whose organisation is second to none.



GLOBALISED.

You're looking for a carrier whose network spans the globe, a network that gives you fast access to the right destinations.



WE'VE GOT WHAT IT TAKES.

6860/Rev.2

Across 61 cities in 37 countries, we've got what it takes to ensure your cargo arrives at the right place, at the right time.

SINGAPORE AIRLINES CARGO

For further enquiries contact SIA Cargo Offices: Bombay-632 2662/632 1070, Calcutta-290 740/291 037, Madras-862 398/477 887, New Delhi-332 4442/332 8617.

jarat Lease
nancing

rat Lease Financing (GLF), a wholly ed subsidiary of Gujarat Industrial In- ment Corporation (GIIC), a state gov- ent undertaking, is going public. this issue, GIIC's stake will be re- d to 50 per cent — indicating how n a short span of 5 years, the com- has established itself in Gujarat. So, s activities have been limited to Gu- , but S.D. Nadkar, managing director F, plans to enter other markets soon. r the year ended March 1990, the pany's total income has increased by er cent to Rs.12.88 crore with the t after tax up 2.5 times to Rs.3.39 . Nevertheless, dividend is main- d at 30 per cent, payable on the nded capital of Rs.3.50 crore subse- t to the bonus issue in the ratio of 1:2. rlier, GLF's activities concentrated asing and hire purchase. "The cur- ear's emphasis will be on consumer cing syndication for working capital erm loans," says Nadkar.

arat Lease Financing	
opens	: 8 October 1990
of the issue	: Rs.5.25 crore
dian public	: Rs.4.23 crore
nment	: Equity shares of Rs.10 each at a premium of Rs.5 per each share
oter	: Gujarat Industrial Investment Corporation (GIIC)
t of the	: To augment long term resources
g	: Ahmedabad, Bombay

ording to Nadkar, the total size of nsumer finance market is around 00 crore with less than 2 per cent serviced. GLF has a target of Rs.50 for consumer financing in the cur- ear. Another attractive feature is rofit margins are better than when g with industrial equipment. The any also plays an active role in the e inter-corporate market that exists public-sector companies in at.

dustan Construction

4-year-old Hindustan Construction any (HCC), in which the parent any — Premier Construction — holds 80 per cent of the equity, has reported a loss of Rs.81 lakh according to the unaudited results of the 6 months ended March 1990.

Hindustan Construction Company	
Issue opens	: 9 October 1990
Size of the issue	: Rs.3.92 crore
To Indian public	: Rs.3.72 crore
Instrument	: 12.5 per cent convertible debentures of Rs.80 each
Object of the issue	: To increase public participation to 35 per cent and to augment long term finance
Listing	: Ahmedabad, Delhi and Calcutta

For the last accounting period consisting of 14 months ended September 1989, HCC's sales had dropped on an annualised basis by 15 per cent. However, the net profit after tax had increased by 8 times to Rs.2.02 crore.

Asian Tractors

Promoted by technocrats and industrialists with wide experience in the tractor industry, Asian Tractors Ltd (ATL) has entered into a technical collaboration with the West German Kramer-Werke.

Asian Tractors	
Issue opens	: 4 October 1990
Size of the issue	: Rs.1.94 crore
To Indian public	: Rs.1.05 crore
Instrument	: Equity shares of Rs.10 each for cash at par
Promoters	: R. Rao, M. Sathyanarayana, H. Shah, S.S. Marwah, I.R. Menon
Technical collaborator	: Kramer-Werke GmbH, West Germany
Project	: To manufacture 2000 low horse power tractors (upto 25 HP) per year
Cost of project	: Rs.3.24 crore
Plant location	: Anekal, Bangalore
Listing	: Bombay, Bangalore, Delhi, Ahmedabad

The company tractor, Asian Kramer 918, will be a single-cylinder machine with an 18 horsepower engine. The unique feature of the tractor is its harvester blades attached at a marginal additional cost. Although the tractor will be priced at Rs.66,000, it will be available to the farmers at only Rs.47,000, thanks to the government's policy of exempting excise and awarding a 30 per cent subsidy on 18 HP tractors.

The prototype has already been tested and the company intends to start commercial production by December 1990. The break-even point for the project will be achieved in the first year itself, says H. Shah, the chairman of the company.

Gurshant Motors

Gurshant Motors Ltd (GML), based in Faridabad, Haryana, has tied up with Fedders Corp of the US to produce state-of-the-art rotary airconditioner compressors. So far, Gurshant Motors has been producing fractional horsepower (FHP) motors for airconditioner blowers and airconditioner compressors of the reciprocating type. The new type, which will be in the range of 0.5 to 5 tonnes, will be more energy efficient and 40 to 50 per cent lighter.

Gurshant Motors	
Issue opens	: 3 October 1990
Size of the issue	: Rs.2.41 crore
To Indian public	: Rs.1.29 crore
Instrument	: Equity shares of Rs.10 each for cash at par. Rs.5 per share payable on application and the balance on allotment
Promoters	: S.K. Adya and R.K. Adya
Technical collaborators	: Fedders Corporation, US
Project	: To manufacture 100,000 rotary compressors for airconditioners
Cost of project	: Rs.4.15 crore
Plant location	: Faridabad, Haryana
Listing	: Delhi, Bombay and Ahmedabad

Trial production in the first phase is likely to start by end-September. It is expected that 20,000 units, netting gross sales of Rs.6 crore at current prices, will be produced. The promoters claim that Fedders Corp of the US is interested in buying up to 100,000 compressors, worth Rs.25 crore, annually.

The initial 54 per cent imported component in these compressors will decrease to less than 20 per cent by the third year as local production begins.

THE GREATEST PARTITION SINCE 1947...

Sintex

ALL PLASTIC PARTITIONS



Bidhan-SPC-161

Sintex / Full Partitions / Half Partitio





Your wait is over. Presenting a partition that is perfect on all counts : the Sintex All Plastic Partitions.

Durable, waterproof, rotproof and weatherproof, the Sintex All Plastic Partitions come in various combinations like half and full partitions, glazed and semiglazed.

In a variety of attractive shades.

Ideal for offices, clinics, hospitals, computer rooms, factories, shops and homes, Sintex means elegance, ease of installation, affordable price, and absolutely no maintenance.

Install Sintex All Plastic Partitions. You won't get anything better than them in the market.

For further information contact

SINTER PLAST CONTAINERS

Plastics Division: **The Bharat Vijay Mills Ltd.,**
KALOL (N. GUJARAT) 382721
Phone: (02764), 2228, 3144, 3145 Gram: "SINTEX"
Telex. 01205-202 SPC IN Fax: (02764) 2436

Offices at : Ahmedabad • Bombay • Baroda • Bhopal • Calcutta • Delhi • Hyderabad • Jaipur • Madras • Lucknow

azed Partitions / Semi Glazed Partitions









DYNASTY • NUOVO LOOK • TREND SETTER • MATCH MAKER SATINS • HI FASHIONS SUITINGS

dines

THE CHOICE OF LEADING FASHION HOUSES, INTERNATION

EXCLUSIVE SHOWROOMS: **BANGALORE:** PUSHKAR • **MYSORE:** SAGAR • **BHOPAL:** VISHAL CORNER • **INDORE:** DAWAR'S • **BHAGALPUR:** LAVANYA • **BUXAR:** VASTRALOK • **JHARIA:** BHARAT CLOTH STORE • **PATNA:** BHARTIYA BASTRALAYA

(BI/7)

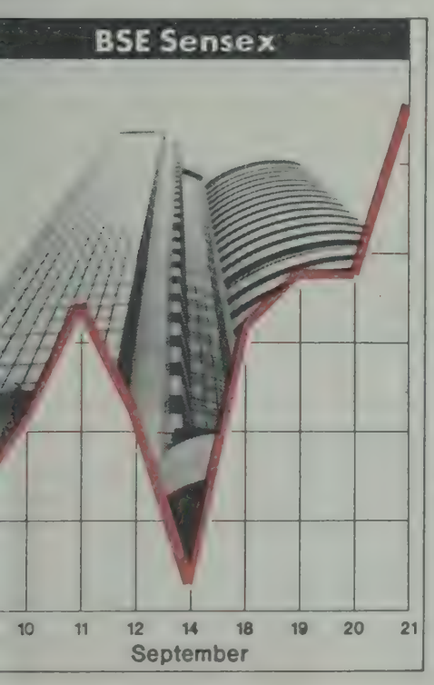
KMARKET REVIEW

sh scrips become ward

he period 10 September 1990 to 22 nber 1990)
Sensitive Index on 22 September = 1389.04 (+ 10.6 per cent)
Vational Index on 22 September = 695.83 (+ 7.4 per cent)

ockmarket powered its way to a new ver the fortnight. This came after niccoughs on 12 and 14 September the BSE Sensitive Index fell from 2 to 1228.19, losing nearly a 100 (*see chart*). The dip was, in part, a payment default by a member on E whose shares were shortsold by 0,000 in ACC. More important than s.1 crore default (pittance for a these days) was the amount of forward charges in settlements at ta and Ahmedabad. These charges ed 10 per cent per month, a rate ot even the rise in stockmarkets over t three months could match.

vever, the *badla* charges in Bombay gnificantly lower a few days later at r cent per month. This was attrib- a cartel of bulls who were willing to e low *badla* rates out of their profits ne past few months. It was also at- ed to the generosity of a mutual fund to forego 10 per cent *badla* in Cal- in return for 2.5 per cent and a market. Whatever the real reason, *dla* rates are unlikely to continue e next two months.



Shift in focus. Meanwhile, the focus shifted to buying cash shares. After good results with forward scrips over the past two months, the market shifted its attention to the cash group. This is partly because forwards scrips, which rose more sharply earlier, are now higher priced than cash scrips. This aspect was clearly visible in power shares. Tata Power, in the forward list, was relatively stagnant, rising from Rs.1,675 to Rs.1,700 over the fortnight. On the other hand, Andhra Valley shot up from Rs.1,260 to Rs.1,550 while Tata Hydro rose from Rs.1,225 to Rs.1,525. Other power shares in the cash list also shot up, matching the three-month price gain of Tata Power (*see table*).

However, the chief reason for the rise in cash scrips is the BSE governing board's decision on 3 September to put all forward scrips on a spot delivery basis with a 72-hour payment limit. There is no corresponding restriction on cash scrips. This has made cash scrips behave more like forward scrips than the forward scrips themselves. Consider, for example, a purchase made on 21 September of a share in the forward list: it has to be paid for in full by 24 September. On the other hand, the purchase of a cash share on the same date requires a 20 per cent down payment by 24 September, while the rest has to be paid some time in mid-November with no carry-forward charge across settlements.

Power shares catch up with Tata Power

Company	Price 21/6	Price 7/9	Price 21/9
Ahmed. Electric	310.00	450.00	560.00
Andhra Valley	575.00	1,260.00	1,550.00
Bombay Subur.	47.00	105.00	140.00
C.E.S.C.	39.50	81.00	76.00
Tata Hydro	510.00	1,275.00	1,525.00
Tata Power	685.00	1675.00	1700.00

Bulls exploited this ingenious loophole developed by the BSE just for them — they bid several cash shares to spectacular heights. For example, Atlas Cycle rose 50 per cent over the fortnight to Rs.150 from Rs.100. Hindustan Alloy rose 56 per cent over the fortnight to Rs.128.75 from Rs.82.50. Videocon International rose 55 per cent to Rs.530 from Rs.342.50.

Heavyweights rise sharply. Nevertheless, it was noteworthy that the rise in the BSE National Index (which includes several cash shares) did not match that of the Sensitive Index. This was due to the sharp rise in the three heavyweights that make



up the Sensitive Index: Reliance, Tata Steel and Hindustan Lever. Reliance has been rising regularly, but Tata Steel was depressed and volatile because of uncertainty over a steel price hike (*see chart*).

The hike which was finally announced on 19 September, was first viewed as too slight and led to profit booking. This was because the hike meant a Rs.100 crore rise in turnover, which is small compared to its capital base of Rs.230 crore. It is however, expected that complete decontrol is now inevitable and this spurred fresh mutual fund investment in the share.

Hindustan Lever, on the other hand, was steady in the Rs.125 to Rs.150 range throughout July and August. However, the announcement of good half yearly results late last month caused the share to rise through September. It rose sharply through the fortnight under review, closing at Rs.168.75, up from Rs.153.75 (+ 10 per cent). Two of its associated companies, Ponds and Brooke Bond, also showed good half yearly results, while a third, Lipton, was stagnant. This was on account of doubts about the success of its expensive venture into fruit drinks.

The approaching busy agricultural season for credit has already led to a tighter money market. Call money rates have doubled over the past month to 15 per cent. These rates are likely to rise slowly over the next six months, which is the key to expect a rise in *badla* rates. A rate in excess of 3.5 per cent per month is likely to depress the market which has hitherto benefited from cheap money. The political situation is already volatile and will worsen through October. And, for doomsayers, 19 October is uncomfortably near. ■

RAFIQ DOSSANI

AGMs

Shareholders come of age



Annual general body meeting: no more a one-sided affair

Events at the annual general body meetings (AGMs) of shareholders of three large companies held in Bombay last fortnight came as a jolt to the respective managements. Shareholders who came in strength, some of whom from outside Bombay, raised protests and succeeded in adjourning the AGMs of Reliance Industries Ltd (RIL) and Great Eastern Shipping. At the Larsen & Toubro (L&T) meeting, a small section of the general body of members came very close to calling for adjournment.

The provocation for the collective action of the shareholders of each company had one common thread — managements did not have the interest of the lay shareholder who was increasingly being taken for granted. With the new developments, it is hoped AGMs will become more meaningful and force managements of companies to take cognizance of the shareholders' right to demand.

Dignified handling. Unlike L&T, RIL had nothing controversial on the agenda to make the meeting stormy. It was the limited seating capacity at the Nehru Centre Auditorium that was the main provocation. The L&T AGM, held on 19 September, at the same place would have also been adjourned for the same reason, but for the calm and dignified manner in which chairman D.N. Ghosh (former chairman of the State Bank of India) handled the proceedings.

The meeting started off well. But an hour later, some irate shareholders, who were denied entry, became emotional and demanded that Ghosh adjourn the meeting. Ghosh lent a patient ear to the agitated speakers and apologised to those shareholders who found it difficult to enter the Nehru Centre Auditorium (seating capacity: 1,000) saying that the company had tried to make alternative arrangements but was unable to find a hall with larger capacity in the city.

Dhirubhai Ambani at the RIL AGM, held on the 21 September, was in a similar predicament at the same venue but could not stop the adjournment of the AGM. The RIL meeting also began peacefully but as the auditorium filled up, the management was forced to close the door as the auditorium authorities do not permit standees. Eventually, the management did convince the auditorium authorities, but the unruly shareholders barged in, interrupted the proceedings and raised a demand for adjournment. As things stand now, until the matter is resolved, say in two to three months' time, the RIL shareholders stand to lose as the dividend warrants will not be dispatched and the company would hold on to the dividend amount plus the interest on it.

A key issue at the L&T AGM was that, repeatedly, speaker after speaker raised the issue of the management's proposal to reduce the size of the mega issue from Rs.820 crore to Rs.640 crore. The proposition met with opposition from shareholders who critisised the financial institution nominees for acting as stooges of the government. "As representatives of the public, it would have been prudent for them to ensure that L&T abides by the debenture contract, keeping the terms of the issue unaltered," explained an agitated shareholder. Talking on the financial performance, Narendra Shodhan, a financial analyst from Ahmedabad, pointed out some interesting facts about the balance sheet. His observation was that a look at the 10-years' highlights shows that, while sales within the decade grew by seven times and assets by 17 times, the profit had barely doubled. Also, L&T had large amounts of unutilised capacity.

Pressurising management. L&T shareholders were keen to know about the various matters pending in the court. They pressured the chairman again with a demand for an adjournment. But Ghosh countered that this would amount to a contempt of court, and explained that it would not be in the interest of the management to discuss such issues at a meeting.

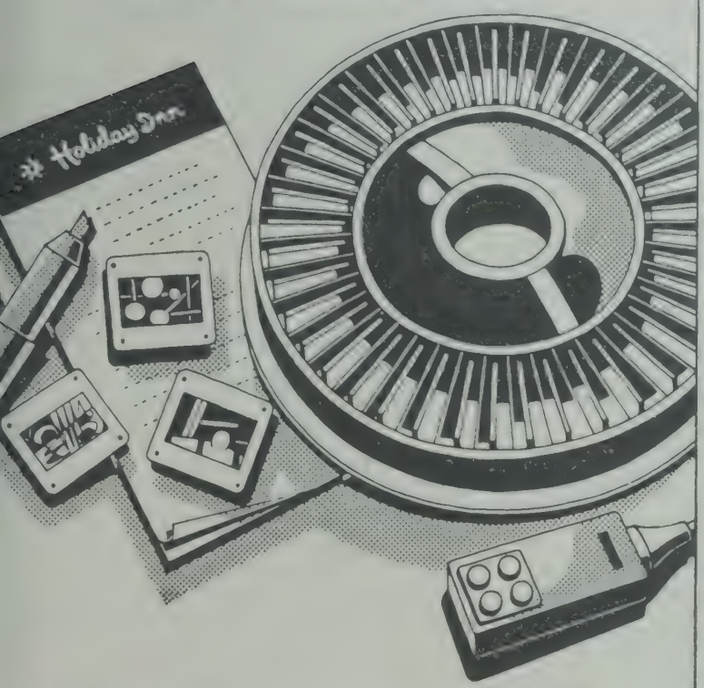
The requests for adjournment shareholders at the Great Easte ping meeting were based on valid The dividend proposed by the c fell short of the shareholders' e tions. Also, although the divid combined with a bonus, it was felt amount was very meagre. The holders also alleged that the direc indulged in insider trading. The directors have decided to meet on ber to reconsider the annual acco dividend. Incidentally, Great E turnover and profits for the year e March 1990 has reached an all-ti but the payout ratio has falle points to 21.44 per cent — an in that the company's strategy to fin ture fleet acquisition has not at appreciated by the shareholders.

What transpires from last fo events at the three AGMs was th pany directors must realise tha holders are no longer spectators. years, with the press playing up news items, shareholders have b vibrant lot, more aware of thei than ever before. Also, new pub promoters who want to make should learn that life begins aft public, as shareholders begin de their pound of flesh.

As an idea, it sounds appealing ter a large family of shareholders. attendant duties on the part of ment are many, as the strident cri Nehru Centre Auditorium showe

■ LANCELOT
with BASUDE

If you think you're hosting a conference at the Holiday Inn, Kyoto, you're thinking 6,000 km too far.



Holiday Inn, Bombay, offers you the same international facilities as any Holiday Inn worldwide.

For the business traveller, Holiday Inn, ombay, offers a truly international range of acilities to cater to your small or medium – zed conference or seminar... just like any other oliday Inn worldwide.

We offer fine dining, superior ccommodation, conference facilities, inimitable ervice, and of course, the value for money you've me to expect from any Holiday Inn worldwide...

All the more reasons to choose us first.

Holiday Inn
Bombay
The World's First Choice

ormation and reservation, please contact: BOMBAY: Holiday Inn, Sahani Marg, Juhu Beach, Bombay 400 049. Tel: 6204444/6202398. -78411 HOLI IN/011-78404 HINN IN. Fax: (0091-22) 6204452 • NEW DELHI: Inn, Connaught Plaza. Tel: 3320101. Tlx: 031-61186 HIND IN. 10211. Tlx: 031-65526 CLAR IN • BANGALORE: Tel: 77676/77931. 5-8668/2354 MACH IN • CALCUTTA: Tel: 412009. Tlx: 021-5421 EDABAD: Tel: 448602 • PUNE: Tel: 661752.

Sintex Mixing Vessels



Consistent performance round the year. For years

An ideal substitute for the wooden, lined and fabricated plastic vats, Sintex Mixing Vessels become indispensable for dyestuffs, paints, pharmaceuticals, food processing, chemicals, oil and other industries.

Extremely durable, leakproof and available in sizes upto 20,000 litres capacity, Sintex Mixing Vessels can be used round the year without any maintenance. Besides, they work out to be far more economical than others made of conventional materials.

Sintex Mixing Vessels are readily available with the option of flat bottom or tapered bottom assuring 100% discharge.

For Further information contact

SINTER PLAST CONTAINERS

Plastic Division **The Bharat Vijay Mills Ltd.**
KALOL (N. GUJARAT) 382 721
Phone (02764) 2228, 2274, 2352, 3144, 3145
Gram "SINTEX", Telex 01205-202 SPC IN
Fax (02764) 2385

Bidhan SPC/160/90

Company / Face value	Year Ended	Equity Rs Cr	Re-serves Rs Cr	Book value Rs	Price 21.9.90	52 weeks High	52 weeks Low	EPS in Rs Year	EPS in Rs Half-yr	PE Times	Divi-dend %	Yield %	Bonus Year	Bonus Ratio
A.P.SCOOTERS,10	07/87	9.94	-13.25	-3.33	11.00	11.00	3.00	-4.8			11.0	10.0		
ACC,100	03/90	55.95	90.70	262.11	2100.00	2100.00	258.00	31.7	15.6	66.2	15.0	0.7	86	1:5
AHM ELECTRIC,100	03/89	19.81	67.58	441.14	560.00	560.00	230.00	27.7	11.8	20.2	16.0	2.9	87	1:5
ALFA LAVAL,10	03/89	7.82	21.57	37.58	225.00	225.00	70.00	8.0	4.1	28.1	25.0	1.1	89	1:2
AMAL RASAYAN,10	03/90	3.19	11.36	45.61	65.00	88.75	42.00	0.2		325.0		3.8		
AMB SARABHAI,10	03/90	22.20	-1.10	9.50	21.00	22.25	14.00	0.3		70.0			82	1:5
AMFORGE,10	03/90	5.33	11.32	31.24	135.00	135.00	78.00	11.3	5.0	11.9	25.0	1.9		
ANDHRA CEMENT,10	03/89	18.78	-2.70	8.56	20.00	25.00	7.75	-15.4				11.8	87	1:2
ANDHRA VALLEY,100	03/89	10.51	49.73	573.17	1550.00	1550.00	310.00	126.5	108.4	12.3	18.0	1.2	75	1:9
ANDREW YULE,10	03/87	9.41	22.81	34.24	70.00	77.50	54.00	2.2		31.8	10.0	1.4	87	2:5
ANNAPURNA FOILS,10	03/89	9.05	0.00	10.00	17.50	18.00	6.50	-2.9	-3.2					
APOLLO HOSP,10	06/88	5.22	1.33	12.55	30.00	30.00	11.00	3.2	1.2	9.4	15.0	5.0		
APOLLO TYRES,10	10/89	8.40	14.19	26.89	82.50	92.50	41.50	18.3		4.5	25.0	3.0		
APPLE IND.,10	03/89	5.19	0.81	11.56	55.00	60.00	19.00	3.1	3.1	17.7	35.0	6.4		
ASEA BROWN,10	03/89	5.26	8.25	25.62	152.50	152.50	55.00	5.9	3.5	25.8	21.0	1.4		
ASHOK LEYLAND,10	03/90	31.72	100.64	41.73	121.25	121.25	70.00	5.8	3.6	20.9	31.5	2.6	78	1:2
ASIAN CABLES,10	03/89	5.59	7.32	23.09	42.50	47.50	28.00	5.8	2.4	7.3	12.0	2.8	81	1:3
ASIAN HOTELS,10	03/90	15.05	12.21	18.11	75.00	75.00	52.00	7.4	4.3	10.1	25.0	3.3		
ASIAN PAINTS,10	03/90	12.44	56.50	55.42	272.50	285.00	190.00	15.3	9.1	17.8	45.0	1.7	87	1:2
ASSAM CO,10	03/89	14.00	26.02	28.59	170.00	170.00	110.00	8.4	7.2	20.2	40.0	2.4	89	1:1
ASSAM FRONTIER,10	03/90	3.00	10.53	45.10	345.00	345.00	182.50	29.0	9.0	11.9	50.0	1.4		
ASTRA IDL,10	03/89	2.50	2.97	21.88	65.00	75.00	40.00	4.9	2.5	13.3	10.0	1.5		
ATLAS COPCO,10	03/89	7.26	7.95	20.95	52.00	62.00	33.00	0.8	-1.9	65.0	10.0	1.9	87	1:2
ATLAS CYCLE,10	03/89	1.15	13.93	131.13	150.00	150.00	70.00	12.8	2.4	11.7	15.0	1.0	87	1:2
AVERY INDIA,10	03/89	4.20	9.34	32.24	164.00	164.00	106.00	7.7		21.3	35.0	2.1	84	2:5
BAJAJ AUTO,10	03/90	18.81	261.22	148.87	725.00	725.00	301.25	34.6	19.5	21.0	110.0	1.5	87	1:1
BAJAJ PLASTIC,10	03/89	1.50	4.94	42.93	70.00	80.00	26.00	-10.9	-3.4				86	1:1
BAJAJ TEMPO,10	03/90	6.60	42.10	73.79	260.00	260.00	117.50	11.5	8.4	22.6	20.0	0.8	86	1:1
BAKELITE HYLAM,10	03/90	4.50	20.04	54.53	50.00	59.00	31.00	3.0		16.7	18.0	3.6	80	2:3
BALLARPUR,10	03/89	20.97	27.11	22.93	300.00	310.00	125.00	7.4	7.8	40.5	18.0	0.6	89	1:2
BARODA RAYON,100	03/90	17.97	51.55	386.87	1600.00	1750.00	625.00	132.5		12.1	25.0	1.6	90	1:2
BASF,10	03/90	4.26	16.88	49.62	230.00	230.00	130.00	12.7		18.1	20.0	0.9	90	1:2
BATA INDIA,10	12/89	10.50	17.18	26.36	98.00	98.00	60.00	5.4		18.1	15.0	1.5	87	1:1
BATLIBOI,10	03/89	2.79	3.93	24.09	65.00	65.00	16.50	5.4		12.0	15.0	2.3		
BAYER INDIA,100	03/90	16.22	17.65	208.82	900.00	900.00	735.00	32.8	9.4	27.4	20.0	2.2	87	1:1
BEST & CROM,10	03/89	7.10	17.80	35.07	65.00	65.00	35.00	1.6	-0.9	40.6	10.0	1.5	82	3:5
BHADRA PAPER,10	03/90	10.57	28.95	37.39	125.00	153.75	75.00	4.3	1.1	29.1	32.5	2.6		
BHARAT FORGE,10	03/90	14.24	20.80	24.61	265.00	265.00	72.50	4.1		64.6	30.0	1.1	88	1:1
BHARAT GEARS,10	01/89	4.03	5.50	23.65	53.00	62.00	22.00	-2.4	0.1			6.2		
BIHAR ALLOY,10	03/90	8.20	-10.01	-2.21	24.00	51.50	22.00	-2.1		13.1				
BIMETAL,10	03/90	3.82	12.13	41.75	137.50	142.50	75.00	7.5	4.8	18.3	27.5	2.0	89	1:1
BINDAL AGRO,10	12/88	14.85	8.50	15.72	77.50	117.50	37.50	5.1	4.6	15.2	50.0	6.5		
BIRLA JUTE,10	03/90	20.37	84.17	51.32	175.00	180.00	45.50	2.3		76.1	18.0	1.0	86	1:1
BIRLA YAMAHA,10	02/89	8.00	0.17	10.21	22.00	26.00	7.50	-4.8	-3.4					
BLOW PLAST,10	07/89	2.00	3.73	28.65	135.00	135.00	35.00	1.6		84.4	15.0	1.1	87	1:1
BLUE STAR,10	03/90	3.55	15.61	53.97	170.00	170.00	71.25	13.3	1.4	12.8	20.0	1.2	86	3:5
BOM BURMAH,100	03/90	5.52	19.47	452.72	1200.00	1250.00	485.00	88.2	38.9	13.6	30.0	2.5	78	1:4
BOM DYEING,10	03/90	11.24	88.18	88.45	420.00	420.00	124.00	19.6	8.9	21.4	40.0	1.0	90	1:1
BOM SUBURBAN,10	03/90	6.60	78.22	128.52	140.00	140.00	35.00	18.2	11.2	7.7	20.0	1.4	89	1:1
BOOTS,10	03/89	8.10	9.33	21.52	130.00	136.50	95.00	5.5	2.8	23.6	22.0	1.7	87	1:1
BOROSIL GLASS,10	03/90	2.24	8.71	48.88	63.75	74.00	52.50	5.9		10.8	25.0	3.9	82	1:2
BRITANNIA,10	03/90	18.57	33.30	27.93	160.00	160.00	75.87	5.3	2.7	30.2	24.0	1.5	89	1:2
BROOKE BOND 10	12/89	44.15	39.77	19.01	167.00	167.00	86.00	6.2		26.9	30.0	1.8	89	4:5
BURROUGHS,10	02/89	6.00	15.82	36.37	100.00	110.00	67.50	6.0	1.4	16.7	45.0	4.5	89	1:1
C.E.S.C.,10	03/90	16.94	86.30	60.94	76.00	87.00	31.00	7.9	2.9	9.6	20.0	2.6		
C.P.TOOLS,100	03/89	4.57	9.61	310.28	480.00	525.00	280.00	15.2	-5.6	31.6	15.0	3.1	77	1:3
CABLE CORP,10	03/90	9.00	26.23	39.14	107.50	117.50	61.00	11.0	3.4	9.8	28.0	2.6		
CADBURY,10	03/90	8.40	14.40	27.14	176.25	185.00	104.00	6.3	2.0	28.0	35.0	2.0	87	1:1
CALICO MILLS,125	06/89	13.56	-5.69	72.55	82.00	95.00	40.00	2.3		35.7			77	1:7
CARRIER AIRCON,10	03/89	10.42	-3.50	6.64	25.00	31.00	18.00	-2.8	-0.9					
CEAT TYRES,10	06/89	14.76	104.60	80.87	125.00	165.00	80.00	15.2	6.3	8.2	30.0	2.4	86	1:2
CEMINDIA,10	03/90	1.26	8.57	76.95	82.50	121.75	80.00	7.0	2.8	11.8	30.0	3.6	84	3:5
CENTURY ENKA,100	03/90	16.61	226.21	1461.89	5550.00	5550.00	2870.00	196.7		28.2	62.5	1.1	90	2:5
CENTURY SPIN,100	03/90	26.62	248.83	1034.75	4500.00	4500.00	2160.00	203.0		22.2	50.0	1.1	86	2:3
CHAMPAGNE,10	03/89	3.00	-1.46	5.13	34.00	34.00	13.00	-3.2						
CHLORIDE,10	03/90	20.65	16.51	18.00	120.00	120.00	83.00	6.7	4.2	17.9	31.5	2.6	86	3:5
CIFCO FINANCE,10	03/89	4.78	0.40	10.84	16.00	16.00	8.00	2.1	0.9	7.6	11.0	6.9		
CITURGIA,10	03/90	3.38	8.34	34.67	135.00	135.00	92.50	8.8		15.3	35.0	2.6		
COLGATE,10	12/89	31.44	25.32	18.05	340.00	340.00	172.50	8.0		42.5	42.5	1.2	89	1:1
COLOUR CHEM,100	03/90	7.94	13.96	275.82	825.00	850.00	500.00	30.0		27.5	22.0	2.7	90	2:5
COMET STEEL,10	03/90	9.65	4.49	14.65	31.00	31.00	17.75	4.1		7.6	17.0	5.5		
COROM FERT,10	09/89	24.32	24.79	20.19	65.00	80.00	22.00	-2.9	1.5			2.6	86	1:2
COSMO FILMS,10	03/89	2.39	7.45	41.17	42.50	42.50	24.00	-8.5	-2.6		18.0	4.2		
CROMPT GREA,100	03/90	19.20	74.09	485.89	1615.00	1615.00	637.50	80.9		20.0	16.0	1.1	89	1:1
CYANAMID,10	03/89	5.25	10.26	29.54	140.00	140.00	76.00	4.2	3.1	33.3	20.0	1.4		
DCM TOYOTA,10	03/90	15.00	-12.96	1.36	50.00	50.00	12.50	4.3	3.2	11.6				

Company / Face value	Year Ended	Equity Rs Cr	Re-serves Rs Cr	Book value Rs	Price 21.9.90	52 weeks High	52 weeks Low	EPS in Rs Year	EPS in Rs Half-yr	PE Times	Divi-dend %	Yield %
DCM,10	03/89	23.02	28.19	22.25	85.00	77.50	45.00	2.1	-2.2	31.0		
DEEPAK FERT,10	03/89	36.68	11.32	13.09	35.00	42.00	26.50	1.9	1.5	18.4	18.0	5.1
DEEPAK NITR,10	03/90	2.43	9.23	47.98	132.50	135.00	63.00	14.3		9.3	30.0	2.3
DEMPO STEAM,100	06/85	2.00	-9.83	-391.50	5.00	6.50	5.00					
DHARAMSI,10	03/90	6.24	15.76	35.26	93.75	93.75	37.00	10.0		9.4	25.0	2.7
DR.REDDYS,10	03/90	2.06	1.36	16.54	87.50	87.50	48.00	3.1	1.6	28.2	25.0	2.9
DUNCAN AGRO,100	03/89	3.05	18.23	697.70	2450.00	2650.00	253.46	28.9	82.6	84.8	15.0	0.6
DUNLOP,10	03/90	18.99	68.77	46.21	85.00	85.00	53.00	2.3		37.0	30.0	3.5
E. MERCK,10	12/88	5.94	6.65	21.20	80.00	90.00	26.00	5.2		15.4	25.0	3.1
E.I.HOTELS,10	03/90	23.84	47.57	29.95	60.00	66.00	57.50	4.5	0.5	13.3	22.0	3.7
EICHER MOTORS,10	03/90	9.98	-6.04	3.95	45.00	48.00	11.50	3.5	3.4	12.9		10.0
EID PARRY,10	06/89	6.26	6.89	20.65	100.00	104.00	61.00	7.3		13.7	25.0	2.5
ELECON ENG,10	03/90	5.65	27.25	58.23	70.00	85.00	65.00	1.8		38.9	12.0	1.7
ENFIELD,10	03/89	5.04	9.15	28.15	32.00	32.00	11.00	-10.4				
ENGLISH ELECT,10	03/90	9.00	18.88	30.98	147.00	147.00	55.50	3.3		44.5	25.0	1.7
ESCORTS,10	03/90	33.90	127.32	47.56	150.00	150.00	78.00	6.6	3.2	22.7	30.0	2.0
ESKAYEF,10	03/90	7.50	26.57	45.43	187.50	191.25	111.25	10.4	4.5	18.0	30.0	1.6
ESSAR SHIPPING,10	06/89	46.14	44.05	19.55	41.00	47.00	22.50	2.9	4.6	14.1	30.0	7.3
EXCEL,10	03/90	4.62	18.89	50.89	390.00	390.00	136.00	20.0		19.5	50.0	1.3
FAG PRECISION,100	03/90	3.36	8.71	359.23	137.50	140.00	56.00	13.8	8.3	10.0	18.0	13.1
FERRO ALLOYS,10	03/90	8.42	36.76	536.58	70.00	127.00	62.50	15.9		4.4	25.0	35.7
FGP,10	03/90	4.89	7.34	25.01	70.00	70.00	47.50	5.3	2.2	13.2	22.0	3.1
FICOM ORGANIC,10	03/90	1.29	7.53	68.37	180.00	202.50	137.50	16.7	7.2	10.8	45.0	2.5
FINOLEX,10	03/90	3.24	36.26	126.15	300.00	375.00	202.50	28.1	15.6	10.7	50.0	1.7
FIRST LEASING,10	11/89	6.30	10.05	25.95	52.50	52.50	16.00	4.8		10.9	26.0	5.0
FLAKT INDIA,10	12/88	4.76	4.08	18.57	83.75	85.00	29.50	4.0	3.2	20.9	20.0	2.4
FORBES FORBES,10	03/90	4.25	21.83	61.36	70.00	71.25	48.25	5.0	2.0	14.0	20.0	2.9
FULFORD,10	03/90	0.80	3.54	54.25	480.00	520.00	230.00	14.4		33.3	22.0	0.5
G.E.SHIPPING,10	03/90	64.85	55.28	18.52	43.00	52.50	40.00	6.7	3.3	6.4	12.0	2.8
G.K.W.,10	03/90	24.06	41.04	27.06	55.00	70.00	19.00	6.0	0.5	9.2	15.0	2.7
G.T.C.INDUST,10	03/89	5.00	13.24	36.48	65.00	70.00	22.50	5.3	2.6	12.3	24.0	3.7
GABRIEL,10	03/90	2.64	5.63	31.33	70.00	71.25	42.50	6.6		10.6	18.0	2.6
GAMMON INDIA,10	03/89	2.16	13.46	72.31	125.00	135.00	80.00	5.8	4.2	21.6	18.0	1.4
GARDEN SILK,10	06/89	16.24	84.67	62.14	62.50	62.50	37.50	3.6	1.4	17.4	30.0	4.8
GARWARE NYLON,10	12/88	9.72	14.92	25.35	57.00	67.00	45.00	2.7	2.0	21.1	20.0	3.5
GARWARE POLY,10	09/89	10.94	21.96	30.07	55.00	70.50	29.50	-6.4				4.1
GARWARE SHIP,10	03/89	3.75	0.03	10.08	22.00	27.50	17.00	5.9	1.6	3.7	15.0	6.8
GEN ELECTRIC,10	03/90	7.20	30.60	52.50	51.00	54.00	31.25	3.8		13.4	10.0	2.0
GENELEC,10	03/89	2.16	-4.39	-10.32	35.00	41.00	19.00	-47.1			14.7	4.2
GEORGE WILL,10	03/90	9.45	23.82	35.21	170.00	180.00	123.40	5.2		32.7	60.0	3.5
GERMAN REMED,10	03/90	3.26	8.87	37.21	305.00	305.00	68.50	13.3		22.9	20.0	0.7
GLAXO,10	03/90	20.00	49.88	34.94	95.00	122.50	92.50	7.7	5.0	12.3	27.0	2.8
GODFREY PHILIPS,10	03/90	2.80	3.80	24.62	140.00	155.00	40.00	11.0	6.9	12.7	35.0	2.5
GOETZE,10	03/90	6.93	16.53	33.85	120.00	120.00	79.00	6.7	3.4	17.9	32.0	2.7
GOKAK PATEL,10	03/90	6.52	25.96	49.82	205.00	205.00	67.50	13.7	8.1	15.0	32.0	1.6
GOOD NEROLAC,10	03/89	3.24	5.08	25.68	115.00	140.00	47.50	2.5	1.8	46.0	22.0	1.9
GOODYEAR,10	12/89	14.96	24.47	26.36	67.50	70.00	40.00	6.5		10.4	40.0	5.9
GRAMOPHONE,10	03/89	4.37	11.43	36.16	22.25	22.50	8.50	-14.0				
GRASIM,10	03/90	60.20	168.10	37.92	265.00	265.00	101.00	9.2	4.8	28.8	30.0	1.1
GREAVE COTTON,10	03/90	9.86	30.96	41.40	110.00	110.00	60.00	6.6	2.1	16.7	18.0	1.6
GUJ ALKALIES,10	03/90	17.90	29.78	26.64	102.50	102.50	72.50	4.2	3.1	24.4	26.0	2.5
GUJ AMB CEM,10	06/90	19.99	15.18	17.59	117.50	122.50	19.00	7.3	4.8	16.1	25.0	2.1
GUJ NARMADA,10	03/89	88.99	103.47	21.63	46.00	54.00	30.75	3.4	1.6	14.1	10.0	2.1
GUJ STATE FERT,10	03/90	44.41	335.70	85.59	260.00	260.00	157.50	11.6	8.2	22.4	30.0	1.2
HARRISON,10	06/89	9.10	17.64	29.38	190.00	195.00	77.00	3.5	5.6	54.3	35.0	1.8
HERDILLIA CHEM,10	03/90	7.35	46.79	73.66	115.00	115.00	82.50	10.0	4.3	11.5	28.0	2.3
HERO HONDA,10	03/90	15.98	-2.76	8.27	62.50	62.50	16.00	-0.3	2.0			
HIND ALLOY,10	03/90	7.13	5.03	17.05	128.75	128.75	55.00	9.4	4.1	13.7	30.0	2.3
HIND CIBA,100	03/90	17.71	40.07	326.26	1575.00	1800.00	890.00	92.7	39.5	17.0	30.0	1.9
HIND DEVELOP,10	03/89	29.74	92.56	41.12	100.00	135.00	72.00	3.2	2.4	31.2	25.0	2.5
HIND DORR-OLIVER,10	03/90	4.76	10.67	32.42	100.00	105.00	62.50	7.3		13.7	25.0	2.5
HIND FERODO,10	03/89	5.50	1.89	13.44	40.00	40.00	18.00	1.4		28.6	5.0	1.2
HIND LEVER,10	12/89	93.32	135.20	24.49	168.75	168.75	99.00	5.8		29.1	35.0	2.1
HIND MOTOR,10	03/90	26.35	44.92	27.05	47.00	54.50	21.00	0.8		58.8	7.5	1.6
HINDALCO,10	03/90	17.85	200.47	122.31	350.00	350.00	131.25	36.1	16.5	9.7	37.5	1.1
HMM,10	03/90	14.18	93.90	76.22	337.50	360.00	168.75	12.4	5.3	27.2	40.0	1.2
HOECHST,100	03/89	9.58	27.94	391.65	3125.00	3300.00	1080.00	37.7	52.3	82.9	20.0	0.6
HOGANAS,10	03/90	1.15	0.29	12.52	140.00	140.00	51.00	4.0	1.4	35.0	15.0	1.1
HOTEL LEELA,10	03/90	18.57	-2.20	8.82	23.00	23.00	13.00	0.1	0.5	230.0		
HOUSING DEV FIN,100	03/89	19.98	64.98	425.23	440.00	475.00	275.00	96.8	46.4	4.5	14.0	3.2
HYD.ALLWYN,10	12/88	17.45	10.70	16.13	22.50	22.50	8.00	1.4	1.2	16.1	15.0	6.7
I.O.L.,10	03/90	14.60	31.44	31.53	56.00	56.00	33.50	0.2		280.0	10.0	1.8
ICI,10	03/89	40.87	84.19	30.80	67.50	67.50	35.00	1.2	-3.9	56.2	22.5	3.3
ICIM,10	03/90	5.86	9.13	25.53	40.00	40.00	30.00	3.9		10.3		
INDIA CEMENT,10	03/90	4.90	48.96	109.96	150.00	155.00	15.00	5.9	7.0	25.4	15.0	1.0
INDIA GYPSUM,10	03/89	9.00	-2.47	7.26	14.25	22.00	9.00	-2.7	-1.3			

Company Face value	Year Ended	Equity Rs Cr	Re-serves Rs Cr	Book value Rs	Price 21.9.90	52 weeks High	52 weeks Low	EPS in Rs Year	EPS in Rs Half-yr	PE Times	Divi-dend %	Yield %	Bonus Year	Bonus Ratio
FIBRES,10	03/90	29.75	-2.73	9.08	16.50	22.00	5.50	-0.9	-2.3					
RSHIP,10	03/89	10.15	-65.15	-54.19	13.75	17.90	11.25	4.2	2.1	3.3			75	1:1
,10	03/90	41.50	49.09	21.82	250.00	250.00	120.00	14.1	7.0	17.7	25.0	1.0	77	2:5
TURE,100	03/90	9.41	38.71	511.37	700.00	700.00	205.00	44.4		15.8	14.0	2.0	80	1:4
L,10	03/90	14.79	51.27	44.67	127.50	127.50	82.50	7.8		16.3	25.0	2.0	89	1:2
ANIC,10	03/90	18.40	26.36	24.34	82.00	96.00	44.75	4.6		17.8	15.0	1.8	85	1:2
N,10	06/90	25.40	202.97	89.91	163.75	163.75	82.50	7.8	4.0	21.0	30.0	1.8	80	1:4
ESS,10	03/90	3.86	2.36	16.11	165.00	165.00	85.71	4.7		35.1	25.0	1.5	89	3:4
RT,10	03/89	164.81	0.00	10.00	36.00	37.00	13.00	-0.7	-0.2					
	03/90	6.16	29.12	57.27	272.50	295.00	172.50	9.8		27.8	27.6	1.0	90	3:5
,10	03/89	14.00	1.21	10.86	18.00	20.00	11.25	0.7	0.5	25.7	15.0	8.3		
0	03/90	15.78	34.25	31.70	300.00	300.00	192.50	9.1	5.3	33.0	25.0	0.8	89	1:1
GE,10	03/89	3.50	7.20	30.57	70.00	90.00	52.50	4.6	0.7	15.2	13.0	1.9	88	4:5
	03/89	12.00	-15.79	-3.16	56.25	56.25	16.50	-4.4	1.4					
	03/90	86.34	152.27	32.95	165.00	165.00	51.00	7.9		20.9	37.5	2.3	89	1:1
L,10	03/90	3.00	6.02	30.07	170.00	170.00	27.00	12.7	9.3	13.4	21.0	1.2		
ES,10	06/89	14.04	15.51	21.05	80.00	95.00	49.00	13.4		6.0	25.0	3.1	67	1:1
IC,10	03/89	38.51	129.12	43.53	68.00	79.00	51.00	4.8	1.2	14.2	22.0	3.2	83	1:3
MIN,10	06/89	3.87	5.11	23.20	40.00	45.00	26.00	8.0		5.0	25.0	6.2	87	2:5
KES,10	03/89	3.90	-4.84	-2.41	95.00	95.00	30.00	3.0	2.1	31.7				
EL,10	03/90	2.36	11.41	58.35	775.00	775.00	220.00	19.7	7.2	39.3	75.0	1.0	90	1:1
,10	06/89	3.55	25.48	81.77	140.00	140.00	75.00	18.2	9.7	7.7	24.0	1.7	89	1:1
	03/90	11.46	53.78	56.93	120.00	132.50	40.00	2.3		52.2	10.0	0.8	79	1:2
,10	12/88	9.00	8.88	19.87	41.25	42.50	25.00	4.7	2.8	8.8	20.0	4.8		
G,10	03/90	2.88	22.29	87.40	240.00	240.00	125.00	12.3	6.5	19.5	25.0	1.0	89	1:1
DA,10	03/89	9.99	3.34	13.34	82.50	82.50	27.00	1.4	0.7	58.9				
S,10	03/89	26.40	41.95	25.89	112.50	120.00	64.00	2.7	2.0	41.7	11.2	1.0	86	1:1
TIC,10	03/89	3.85	11.28	39.30	72.50	77.50	40.00	10.8	1.2	6.7	22.5	3.1		
AL,10	03/90	5.75	13.16	32.89	65.00	65.00	29.00	5.2		12.5	16.0	2.5	76	3:7
IND,10	03/90	4.50	12.31	37.36	180.00	180.00	67.50	13.1		13.7	24.0	1.3	90	1:1
0	03/90	8.70	12.25	24.08	255.00	255.00	180.00	7.3	4.6	34.9	20.0	0.8	89	1:1
	03/90	3.15	9.67	40.70	235.00	235.00	78.00	5.6	4.8	42.0	28.0	1.2	89	1:2
ARO,10	03/90	68.09	321.18	57.17	166.25	166.25	59.00	6.3	3.2	26.4	25.0	1.5	86	3:5
	12/89	15.75	22.14	24.06	95.00	109.00	76.00	6.6		14.4	22.0	2.3		
,10	03/90	5.07	4.92	19.70	85.00	87.50	53.75	7.2		11.8	25.0	2.9	89	1:2
	03/89	21.42	9.07	14.23	55.50	56.50	16.50	0.3	0.6	185.0			80	4:5
GOR,10	06/86	2.74	41.38	161.02	99.50	106.00	56.00	2.3		43.3	7.0	0.7		
ENT,100	03/90	3.02	18.65	717.55	3000.00	3000.00	400.00	22.5	73.8	133.3				
TS,10	03/89	21.96	92.32	52.04	215.00	215.00	100.00	6.9	2.4	31.2	25.0	1.2	86	1:2
E,100	03/90	14.48	18.90	230.52	575.00	575.00	200.00	-33.1	6.6	47.1		3.1	80	1:3
0,100	03/90	13.45	51.38	482.01	1000.00	1000.00	275.00	22.7	19.1	44.1	22.0	2.2	78	1:5
N,10	03/90	19.26	113.23	68.79	97.50	103.00	72.50	8.3		11.7	25.0	2.6	84	2:3
SSAN	03/89	16.70	0.15	10.09	25.00	28.00	9.00	-2.2	-2.5					
INE,10	03/90	11.50	26.98	33.46	65.00	87.50	55.00	4.1		15.9	20.0	3.1	88	1:2
EM,10	03/90	7.11	11.04	25.53	65.00	75.00	20.00	1.1	1.0	59.1	22.5	3.5		
CHEM,10	03/89	19.97	0.17	10.09	25.00	35.00	16.00	-16.3	-9.8			4.3		
E,10	06/89	225.00	280.60	22.47	36.00	36.50	16.00	8.3		4.3	18.0	5.0		
T,10	03/90	23.04	9.15	13.97	41.25	55.00	31.00	1.8		22.9	22.0	5.3	87	3:5
	03/90	2.79	6.17	32.11	87.50	87.50	67.50	5.5	2.0	15.9	30.0	3.4		
T,10	11/89	4.32	2.64	16.11	15.00	15.00	7.50	-0.7				14.1		
	03/89	7.68	25.89	43.71	95.00	95.00	71.00	14.7	4.8	6.5	20.0	2.1	86	1:1
EL,10	03/90	6.25	22.38	45.81	125.00	130.00	82.81	13.9		9.0	60.0	4.8	89	3:5
	03/89	14.68	-12.54	1.46	11.00	13.75	6.50	-12.6	-4.4				67	1:2
0	03/90	1.28	2.08	26.25	95.00	120.00	82.50	4.4	1.4	21.6	20.0	2.1	89	1:1
	03/89	1.14	4.49	49.39	185.00	312.50	130.00	13.4	-25.1	13.8	30.0	1.6	87	1:1
IES,10	03/89	3.30	23.65	81.67	30.00	30.00	17.00	-52.6	-1.6			3.2	89	1:5
10	03/89	10.38	52.50	60.58	95.00	95.00	47.00	14.2	-2.8	6.7	25.0	2.6	84	2:5
0	03/89	19.46	6.50	13.34	104.00	104.00	54.00	2.4	0.5	43.3	11.0	1.1		
T,100	12/89	38.05	67.85	278.32	1125.00	1300.00	625.00	38.4	19.4	29.3	14.0	1.2	86	1:1
	03/90	3.86	55.04	152.59	350.00	390.00	185.00	32.4	19.2	10.8	60.0	1.7	75	1:2
10	03/90	14.74	92.60	72.82	210.00	210.00	128.00	11.4	6.2	18.4	30.0	1.4	88	1:2
NT,10	06/87	18.22	22.61	22.41	52.50	52.50	11.00	1.1	1.2	47.7	17.5	3.3	85	2:5
E,10	03/89	2.44	3.76	25.41	20.00	24.00	13.00	5.4	3.2	3.7	35.0	17.5		
IDE,100	03/89	2.30	9.02	492.17	1100.00	1175.00	765.00	-48.6	-17.8		6.0	0.5		
IO,100	03/90	6.98	3.75	153.72	600.00	700.00	220.00	14.0		42.9				
	12/89	36.62	5.70	11.56	158.75	158.75	90.71	3.9		40.7	30.0	1.9	89	3:5
	03/89	15.76	-23.74	-5.06	37.00	37.00	11.00	-22.0	-9.1				82	1:2
	03/90	36.00	109.85	405.14	1700.00	1850.00	1055.00	117.3	55.5	14.5	40.0	2.4	86	1:2
T,10	03/89	5.40	31.50	68.33	120.00	120.00	32.00	-14.3	0.5		20.0	1.7	87	1:1
	03/90	66.29	51.65	17.79	37.50	39.00	13.50	0.2		187.5		17.5		
0	06/89	96.72	81.67	18.44	64.00	85.00	32.00	2.8	2.1	22.9	50.0	7.8	87	3:5
E,10	12/88	18.00	0.00	10.00	31.25	40.50	21.50	0.3		104.2				
S,10	03/90	5.37	20.34	47.88	230.00	260.00	175.00	7.5	3.5	30.7	25.0	1.1	85	1:1
	03/90	7.53	4.08	15.42	115.00	133.25	71.50	3.7		31.1	35.0	3.0	90	3:5
	03/90	33.32	40.09	22.03	75.00	75.00	21.00	2.0		37.5	10.0	1.3	82	1:5
	03/90	11.72	16.91	24.43	76.00	107.50	64.50	2.3		33.0	20.0	2.6	77	4:5

Company Face value	Year Ended	Equity Rs Cr	Re-serves Rs Cr	Book value Rs	Price 21.9.90	52 weeks High	52 weeks Low	EPS in Rs Year	EPS in Rs Half-yr	PE Times	Divi-dend %	Yield %	Bonus Year	Bonus Ratio
POLYCHEM,10	03/90	1.38	17.50	39.82	140.00	180.00	59.40	11.5	2.2	11.7	25.0	1.8	90	1:2
POLYOLEFINS,100	03/90	15.32	34.45	84.76	147.50	148.00	85.00	14.0	4.1	14.1	35.0	2.5	88	1:2
PONDS,10	12/89	6.68	18.78	38.11	197.00	197.00	112.06	9.1		21.6	37.5	1.9	90	1:2
PREMIER AUTO,10	06/90	22.71	12.25	59.39	72.00	174.00	58.00	1.0		5.6	30.0	4.2	88	1:1
PROCTER & GAM,10	06/89	8.58	17.68	27.46	325.00	340.00	165.00	9.4	1.2	34.0	30.0	0.9	88	4:5
PSI DATA,10	03/89	6.50	-5.27	1.89	20.00	27.50	11.50	-13.1				11.0		
RALLIS,10	03/89	9.52	33.44	45.11	95.00	105.00	65.00	8.1	3.1	10.6	25.0	2.6	77	3:4
RANBAXY,10	03/90	8.94	16.25	28.17	130.00	132.50	85.00	5.4	5.0	15.5	27.5	2.1	88	2:5
RAYMONDS,10	03/90	22.47	80.45	45.81	107.50	114.00	65.00	8.1	2.5	13.2	20.0	1.9	87	1:1
RECKITT COLMAN,10	12/89	8.42	22.44	36.77	252.50	252.50	155.00	9.5	4.8	27.5	40.0	1.5	88	1:1
REGENCY CERAMIC,10	03/89	5.61	0.25	10.45	21.00	22.50	5.00	1.4	0.1	23.3				
RELIANCE PETRO	03/89	86.47	7.48	10.86	36.00	47.00	25.50	1.6		50.0	18.0	5.0		
RELIANCE,10	03/90	152.11	950.12	72.99	184.50	185.00	91.50	5.9		32.1	30.0	1.6	89	3:5
REMINGTON,10	03/90	2.67	4.34	26.25	40.00	72.50	35.00	3.3	1.8	12.1	20.0	5.0	86	1:2
REVATHI C.P.,10	03/90	1.60	4.29	36.81	90.00	100.00	57.50	5.8		15.5	25.0	2.7	87	1:1
RHONE-POULENC,10	03/90	4.50	14.22	41.60	118.00	118.75	62.75	4.6		12.8	15.0	1.3		
ROCHE PRODUCTS,10	12/88	4.81	6.23	22.95	67.50	88.00	27.00	3.3	1.9	20.5	15.0	2.2	80	1:3
ROSS MURARKA,10	12/88	4.64	3.25	17.09	32.50	32.50	14.50	3.1	1.5	10.5	18.0	5.5		
S.I VISCOSE,100	03/90	11.03	38.51	449.14	2950.00	2950.00	675.00	202.0	126.6	14.6	45.0	1.5	87	1:2
SAMTEL INDIA,10	03/90	3.57	8.07	32.61	35.00	66.00	23.50	-8.4	2.7	3.5		7.8	88	1:3
SANDOZ,10	12/89	5.30	24.68	56.57	205.00	205.00	122.50	11.2		18.3	18.0	0.9	90	1:2
SANDVIK ASIA,100	12/89	5.78	7.54	230.45	1215.00	1215.00	610.00	43.9		27.7	25.0	2.1	84	1:1
SCINDIA,20	06/88	18.95	-40.86	23.12	9.25	16.00	7.25	-20.6					77	2:5
SEARLE,10	03/90	7.82	10.93	23.98	155.00	155.00	105.00	5.3		29.2	20.0	1.3	88	1:2
SESA GOA,10	03/90	5.15	12.25	33.79	155.00	155.00	53.75	6.7	9.5	23.1	18.0	1.2	86	2:5
SHAW WALLACE,10	03/90	12.00	37.90	41.58	104.00	118.00	69.00	12.7	6.4	8.2	42.5	4.1	87	1:1
SHRIRAM FIBRES,10	09/89	10.33	22.69	31.97	60.00	68.00	42.50	4.2		14.3	18.0	3.0	82	1:2
SIEMENS,10	03/90	20.77	61.17	39.45	142.50	142.50	72.00	4.4		32.4	30.0	2.1	86	1:4
SILTAP CHEMICAL,10	03/89	1.80	-0.76	5.78	90.00	92.50	42.50	-8.5	-3.4					
SIPTA COATED,10	03/90	17.59	12.40	17.05	23.00	30.00	14.00	1.4		16.4	15.0	6.5		
SKF BEARINGS,100	03/90	24.70	52.45	312.35	2400.00	2450.00	1240.00	84.0		28.6	15.0	0.6	89	1:1
SOUTHERN PETRO,10	03/90	34.00	292.60	96.06	68.00	75.00	43.50	6.8	5.5	10.0	18.0	2.4	86	1:1
SPARTEK,10	03/89	4.56	5.91	22.96	70.00	75.00	60.00	8.2	3.8	11.3	25.0	3.8	89	3:5
SPECIAL STEEL,10	03/90	11.39	14.36	22.61	230.00	230.00	91.25	10.4	5.2	22.1	25.0	1.1	89	1:2
STANDARD IND,10	03/90	11.06	36.78	43.25	120.00	120.00	44.50	1.2	1.7	100.0	20.0	1.7	82	2:5
STANDARD MOTOR,10	03/88	4.37	3.98	19.11	24.75	26.00	9.50	-18.1				15.8	85	1:1
STRAW PRODUCTS,10	03/90	10.14	77.87	86.79	150.00	150.00	74.00	7.2	4.5	20.8	30.0	2.0	72	1:2
SU-RAJ DIAMOND,10	03/90	7.66	9.72	22.69	53.00	71.00	46.00	14.2	9.4	3.7	25.0	4.7		
SUND CLAYTON,10	05/89	9.48	23.99	35.31	60.00	73.00	42.00	4.9	1.1	12.2	25.0	4.2	87	2:3
SUND FASTENERS,10	03/90	5.10	13.30	36.08	115.00	115.00	70.00	9.3	4.6	12.4	27.5	2.4	88	3:5
SUND FINANCE,10	03/90	6.00	23.62	49.37	117.00	123.00	60.00	15.3		7.6	30.0	2.6	90	1:1
SUPREME INDUST,10	06/89	2.27	13.47	69.34	410.00	410.00	202.50	14.4	9.7	28.5	45.0	1.1	87	1:1
SWAD POLYTEX,10	03/90	3.90	11.77	40.18	70.00	70.00	34.00	4.6	1.3	15.2	17.5	2.5		
SYNTH & CHEM,10	03/90	11.42	9.75	18.54	65.00	80.00	49.00	4.3	0.9	15.1	25.0	3.8		
TATA CHEMICALS,10	03/90	73.76	210.39	38.52	114.00	117.00	77.04	5.5	2.2	20.7	30.0	2.6	89	1:2
TATA LOCO,10	03/90	103.67	378.70	46.53	235.00	237.50	99.12	9.9	9.0	23.7	30.0	1.3	82	2:5
TATA OIL,10	03/90	8.11	25.19	41.06	110.00	110.00	21.20	16.5		6.7	20.0	1.8	90	4:5
TATA POWER,100	03/90	21.22	76.04	458.34	1700.00	1700.00	332.50	56.9	60.8	29.9	20.0	1.2	75	1:5
TATA PRESS,10	03/90	1.57	5.62	45.80	75.00	75.00	55.00	-3.6		10.9	10.0	1.3		
TATA STEEL,10	03/90	229.43	1103.11	58.08	185.00	185.00	103.25	6.5	2.9	28.5	30.0	1.6	86	2:5
TATA TEA,10	03/90	17.10	109.99	74.32	430.00	430.00	174.00	24.3	12.1	17.7	60.0	1.4	88	3:5
TATA UNISYS,10	03/90	4.38	8.76	30.00	200.00	200.00	67.50	11.8		16.9	30.0	1.5	87	2:5
TEXMACO,10	03/90	1.87	11.06	69.14	68.00	84.00	33.00	-67.0						
TINPLATE,10	03/90	10.14	12.16	21.99	45.00	45.00	27.50	2.5		18.0	15.0	3.3		
TUBE INVESTMENT,10	03/90	6.71	28.62	52.65	77.50	77.50	63.00	6.7	3.1	11.6	24.0	3.1	85	1:3
TUTICO ALKALIES,10	03/89	12.94	-2.63	7.97	17.00	17.00	12.00	0.9	-0.8	18.9		44.4		
TVS SUZUKI,10	03/89	23.10	-5.50	7.82	24.00	26.00	11.00	1.3		18.5				
TWENT CENT,10	03/90	8.88	12.44	24.01	48.75	48.75	21.00	4.5		10.8	22.0	4.5	86	2:5
U.B.LTD.,10	06/88	4.00	9.53	33.82	63.00	78.25	37.00	7.1		8.9	20.0	3.2	86	1:1
UNION CARBIDE,10	03/89	32.58	38.04	21.68	39.50	45.50	21.00	1.4		28.2		5.3	80	1:2
UNIT PHOSPHORUS,10	12/87	2.80	2.66	19.50	100.00	110.00	43.00	0.4	-1.1	250.0	10.0	1.0		
UPCOM CABLES,10	03/89	5.92	1.88	13.18	25.00	53.00	17.50	4.3	-0.8	5.8	20.0	8.0		
VAM ORGANIC,10	03/90	5.16	20.35	49.44	188.75	195.00	120.00	15.7	8.7	12.0	35.0	1.9		
VIDEOCON INT,10	03/90	4.23	6.91	26.34	530.00	530.00	110.00	86.2	49.7	8.0	40.0	0.8		
VINDHYA TELE,10	03/90	3.90	20.90	63.59	115.00	130.00	77.50	8.0		14.4	22.5	2.0		
VOLTAS,100	03/90	19.85	61.96	412.24	140.00	140.00	56.36	9.2	5.8	15.2	24.0	17.1	89	1:2
VST INDUSTRIES,10	03/90	9.85	16.71	27.32	110.00	115.00	45.00	6.1	2.8	18.0	30.0	2.7	89	3:5
WALCHAND,100	09/88	3.00	2.46	182.00	32.50	32.50	16.00	2.0		16.2			82	1:2
WARREN TEA,10	03/90	3.90	11.49	39.46	170.00	170.00	60.00	20.9	4.0	8.1	70.0	4.1	89	1:1
WIMCO,10	03/89	13.58	5.34	13.93	36.50	44.00	15.75	-9.7	-2.8				70	1:5
Z F STEERING,10	03/89	2.25	1.02	14.53	63.75	72.50	43.00	2.6	1.1	24.5	10.0	1.6		
ZENITH,10	12/88	9.15	17.20	28.80	42.00	61.00	36.00	5.2	3.1	8.1	30.0	7.1	87	1:4
ZUARI,10	03/89	12.43	57.09	55.93	85.00	95.00	55.00	4.8	-2.3	17.7	35.0	4.1		

Note: EPS: This represents the earnings after tax for the full year divided by the number of shares outstanding. EPS half year: after tax earnings per shares for six months taking into account announced half yearly profits. PE: ratio of market price to after tax per share. Yield: dividend as a percentage of market price.


Let's take another ride in that lift... what was the name again?

Company	Face Value	Market lot	Type	Rate %	Size Rs lacs	Price Rs	Date	Yield %	Interest due date	Redemption date	Book closure
ASEA	100	10	NCD	13.5	252.0	88.00	20/02/90	15.34	30.6,31.12	17,9/93	22/12/89
ASHOK LEY.A	64	5	NCD	13.5	521.0	55.00	16/03/90	15.71	31.3,30.9	3/4/96	16/09/89
ASHOK LEY.B	64	5	NCD	13.5	1043.0	65.00	16/03/90	13.29	31.3,30.9	3/4/96	16/09/89
ASHOK LEY.C	100	5	NCD	15.0	815.0	95.00	16/03/90	15.79	31.3,30.9	3/4/91	16/9/89
ATASH IND	75	10	CD	15.0	300.0	60.00	08/03/90	18.75	31.1,31.7	17/3/94	21/7/89
BATLIBOI	100	25	NCD	15.0	510.0	92.00	20/04/90	16.30	30.4,31.10	11/4/93	3/10/89
BIRLA JUTE	200	5	NCD	13.5	999.0	170.00	19/02/90	15.88	30.9,31.3	7/2/96	13/9/89
BLUE BLEND	200	10	NCD	13.5	625.0	162.50	18/01/90	16.62	31.1,30.6	4/11/96	14/12/89
CONT. CONST.	100	10	NCD	15.0	1750.0	80.00	05/04/90	18.75	1.1,1.7	4/10/95	27/12/89
DR REDDY'S	100	10	CD	15.0	163.0	92.50	21/03/90	16.22	30.6,31.12	4/6/96	15/12/89
DUNLOP	150	5	NCD	13.5	120.0	135.00	05/12/89	15.00	15.7,15.1	30/6/89	01/07/89
E.I.HOTELS	50	10	NCD	13.5	1566.0	41.25	02/03/90	16.36	10.4,10.10	10/4/94	21/09/89
ELECON ENG	45	5	NCD	13.5	247.0	40.00	05/12/89	15.19	30.6,31.12	12/9/94	15/12/89
ESSAR SHIP	75	10	NCD	13.5	100.0	65.00	12/04/90	15.58	31.3,30.9	15/4/94	15/6/89
F.G.P.	100	5	NCD	13.5	168.0	82.50	19/01/89	16.36	31.3,30.9	19/11/92	13/9/89
FERRO ALLOY	190	2	NCD	13.5	750.0	170.00	01/12/89	15.09	30.6,31.12	30/6/91	01/12/89
FORBES	100	10	NCD	13.5	600.0	83.75	20/04/90	16.12	1.4,1.10	2/4/94	10/9/89
GARDEN SILK	100	10	NCD	12.5	300.0	70.00	20/04/90	17.86	31.3,30.9	31/3/97	09/09/89
GRASIM IND	120	5	NCD	13.5	100.0	120.00	20/03/90	13.50	31.3	30/6/97	15/03/89
GUJ ALKALI	140	5	NCD	13.5	700.0	122.50	07/03/90	15.43	28.2,31.8	1/8/93	18/08/89
HIND FERODO	100	5	CD	13.5	206.0	70.00	04/01/90	19.29	30.6,31.12	14/12/92	12/12/89
HOECHST	100	5	NCD	15.0	383.0	100.00	04/01/90	15.00	1.5,1.11	14/9/91	17/10/89
I.T.C.	500	1	NCD	15.0	500.0	530.00	20/04/90	14.15	1.7	30/6/90	16/05/89
IND HOTEL	75	10	NCD	13.5	1123.0	65.00	17/04/90	15.58	1.4,1.10	26/4/92	16/09/89
IND HOTEL	100	10	NCD	12.5	2708.0	88.50	17/04/90	14.12	15.6,15.12	14/6/94	10/05/89
IND RAYON	80	5	NCD	12.0	801.0	51.25	09/01/90	18.73	30.6,31.12	6/4/93	18/12/89
IND RAYON	112	5	NCD	13.5	1668.0	107.50	08/03/90	14.07	30.6	18/2/95	18/12/89
J.K. SYNTH	120	4	NCD	13.5	1875.0	122.50	19/04/90	13.22	1.1,1.7	1/4/92	01/12/89
JINDAL STR	100	10	NCD	15.0	600.0	87.50	12/04/90	17.14	30.6,31.12	14/4/94	20/12/89
KALY STEEL	100	5	NCD	15.0	67.0	105.00	05/12/88	14.29	30.6,31.12	7/6/91	19/12/89
KESORAM	90	5	NCD	13.5	1890.0	72.50	15/02/90	16.76	31.3,30.9	11/3/95	01/09/89
KLOCK WIND	100	10	CD	13.5	138.0	90.50	19/04/90	14.92	31.3,30.9	30/6/93	28/02/89
KOTH FOOD	80	10	CD	15.0	475.0	58.00	05/03/90	20.69	31.3,30.9	30/6/91	01/10/89
L & T RTC	60	5	CD	13.5	360.0	55.00	18/01/90	14.73	1.1,1.7	30/6/90	16/06/89
LAKME	75	10	NCD	13.5	202.3	70.00	08/03/90	14.46	30.6,31.12	9/4/94	01/12/89
LML	115	5	CD	13.5	828.0	80.00	12/01/89	19.41	30.4	30/6/91	16/4/88
LYKA LABS	100	10	NCD	15.0	240.0	90.00	19/02/90	16.67	30.6,31.12	30/6/93	15/12/89
MAY & BAKER	100	5	NCD	15.0	300.0	96.00	24/01/90	15.62	1.4,1.10	9/9/94	11/12/89
MAZDA IND	100	10	NCD	13.5	625.0	65.00	20/04/90	20.77	1.4,1.10	5/4/93	14/09/89
MUKAND	125	5	NCD	13.5	437.0	115.00	15/02/90	14.67	1.1,1.7	30/6/88	12/12/89
PRESTIG FOOD	100	10	NCD	13.5	25.0	67.50	06/03/90	20.00	31.12,30.6	30/6/92	15/12/89
RAYMOND WOOL	240	1	CD	12.0	480.0	270.00	01/02/90	10.67	31.3,30.9	30/6/89	26/09/89
RAYMOND WOOL	400	1	NCD	13.5	1920.0	380.00	20/04/90	14.21	31.10	30/10/92	26/09/89
REL F CUM	100	10	NCD	15.0	3000.0	176.25	20/04/90	8.51	28.2,30.9	30/9/95	25/01/90
RELIANCE E	100	5	NCD	13.5	5335.0	90.00	30/03/90	15.00	30.4	30/6/97	28/03/89
RELIANCE F	100	10	NCD	15.0	27000.0	92.00	20/04/90	16.30	20.2,31.8	30/9/95	25/01/90
REL.PETRO B	40	10	CD	12.5	1045.0	36.50	20/04/90	13.70	31.5,30.11		11/11/89
REL.PETRO C	150	10	CD	12.5	3920.0	108.00	20/04/90	17.36	31.5,30.11	30/10/95	11/01/89
SANDOZ	100	10	NCD	13.5	69.0	85.00	06/04/90	15.88	30.6,31.12	24/4/95	15/12/89
STEELAGE	100	10	NCD	13.5	132.0	85.00	06/04/90	15.88	1.5,1.11	30/6/94	12/10/89
TATA PRESS	120	5	NCD	13.5	195.0	105.00	17/05/89	15.43	31.3,30.9	11/11/96	12/09/89
TATA STEEL	200	5	NCD	13.5	2011.0	200.00	08/03/90	13.50	1.4,1.10	1/3/92	11/09/89
TATA STEEL	600	5	NCD	12.0	25705.0	508.00	20/04/90	14.17	1.2		11/01/90
TATA UNISYS	100	10	CD	12.0	250.0	75.00	20/04/89	16.00	1.1,1.7	30/6/98	07/12/89
TITAN WATCH	200	10	NCD	13.5	1312.0	177.50	20/04/90	15.21	15.6,31.12	5/3/97	21/11/89
TRANSPORT CO	100	10	NCD	15.0	400.0	78.00	05/03/90	19.23	31.3,30.9	30/6/93	12/09/89
TTK PHARM	100	10	NCD	15.0	143.0	90.00	07/03/90	16.67	30.5,30.11	1/3/92	16/05/89
TWENT CENT	100	1	NCD	13.5	300.0	85.00	17/08/89	15.88	30.4,31.10	23/8/90	11/01/90
UNITECH	100	15	NCD	15.0	264.0	82.50	08/03/90	18.18	30.6,31.12	25/4/94	12/12/89
UNIV LUGGAGE	100	10	NCD	15.0	144.0	62.50	05/03/90	24.00	1.6,1.12	26/3/96	08/11/89
USHA MARTIN	100	5	NCD	13.5	934.0	80.00	06/04/90	16.88	31.3,30.9	29/10/95	01/09/89
V.I.P. IND	100	10	NCD	15.0	960.0	82.50	18/04/90	18.18	31.1,31.7	22/4/93	03/01/90
VARELI TEXT	100	10	NCD	15.0	862.0	80.00	02/02/90	18.75	31.3,30.9	30/6/93	09/09/89
VARUN SHIP	100	10	NCD	15.0	175.0	95.00	06/04/90	15.79	31.5,30.11	20/8/93	17/11/89
VOLTAS	300	1	NCD	15.0	900.0	280.00	02/03/90	16.07	28.2,31.8	1/3/91	01/06/89
VOLTAS	150	2	CD	13.5	300.0	132.50	18/10/89	15.28	30.6,31.12	30/6/91	01/06/89
W.I.ENTER	100	5	CD	15.0	615.0	92.50	07/03/90	16.22	1.10,1.4	12/6/95	16/09/89
ZENITH	90	10	NCD	13.5	480.0	80.00	07/03/90	15.19	1.5,1.11	20/7/92	20/09/89

Note: CD: convertible debenture; NCD: non-convertible debenture including debentures that were earlier partially convertible for which the conversion is over.
Debenture yield is calculated as a percentage of market price without adjusting interest due component. This can make a significant difference in actual return.
The fact that the debenture market is generally active can be surmised from the dates of last business done. Hence readers are advised to seek suitable professional advice before deciding.
All care is taken to ensure accurate and up-to-date information.

It's not difficult to
nd some people getting
ted about our lifts. Right
e name may be unfamiliar
but you'll soon be seeing
ore of our lifts in the most
us residential and
cial buildings. As more
ealize that they do not have
o with the deficiencies of
lifts when they have a choice.
Corporation, with its
rters in Finland, is a world
lift technology. KONE lifts
ate a large number of
which make vertical
ation a pleasure to the user.
movement buttons for
se.
clearer indicator lamps.
r response.
travel.
her rides.
levelling so that you do
o while entering and leaving.
oise.
terised scheduling.
power consumption.
as been in India since 1987
n-KONE Limited, and has
ssive array of installations
dit. With increased
tion and the change in
ONE is set to transform
n lift and building
.

by the way,
h for "machine"
ronounced "Kho-nae".

ONE

Elevator India Limited
am Road, Ayanambakkam,
102. Ph: 044-65-1872
023. Fax: 044-86-5017

service centres all over India.

Sista s KEIL 1448 90A

Winners galore!

With cement shares leading the bulls, predicting a rise seemed easy. Hence we have 194 participants, to share the prize of Rs.5,000 equally.

Scrips	Prices as on Monday 13 August 1990 (Rs.)	Prices as on Monday 10 Sept. 1990 (Rs.)	Ranks
Gujarat Ambuja	80.00	130.00	2
Hoechst	2,850.00	3,300.00	5
Hind. Ciba	1,680.00	1,750.00	6
J.B. Chemicals	93.75	135.00	3
Madras Cement	2,350.00	3,000.00	4
Modi Cement	14.00	25.00	1

Given below is a new list of six scrips, and their clos prices on 25 September, 1990. Pick the share that yo think will rise the most in percentage terms by 23 October 1990 and rank it number one. Then choose one that you expect will rise the second most and ra it number two. Then number three, and so on till ra six. It's as simple as that!

So, in this Investor Contest, you don't have to predic the price of shares; you merely have to rank the performance (in percentage terms) on the basis of t prices you expect each to reach on 23 October, 1990 You don't have to tell us either the prices or even th percentage changes you expect — only fill in the ra from one to six.

Please note that if you assign the same rank to two scrips, then the following one should be ranked the consecutive number. For example, if you rank two shares at number three, the next will be number fou (in which case, of course, your last rank will be five)

Rules:

1. There is no entry fee.

2. The price mentioned last in the official quotation list will be taken as correct for purposes of calculation. If the stock exchange remains closed on the stated last day, the closing price on the prior day will be used.

3. Entries must be on the printed form given below. Any other entries will be disqualified.

4. Only one entry will be permitted per form.

5. Envelopes sent in should be marked Investor Contest. All entries should be sent to: Investor Contest, **Business India**, Wadia Building, 17/19 Dalal Street, Bombay 400 001, by 5 pm, 19 October, 1990.

6. Business India's decision on the winning entries is final and binding, and no correspondence in this regard will be entertained.

7. The contest is open only to res India. No employee (or any direct re an employee) of the **Business Ind of publications** is entitled to e contest.

8. The prize of Rs.5,000 will not b forward if there is no winner. In t that there is more than one winner, will be shared equally.

Name of scrip	Prices as on Tuesday 25 September, 1990 (Rs.)	Rank as on Tuesday 23 October, 1990 (please fill in number)
Auto Axles	70.00	
Bajaj Auto	730.00	
Colgate	348.75	
G.E. Shipping	45.00	
L&T	166.25	
Orkay Silk	46.00	

Name:_____

Address:_____

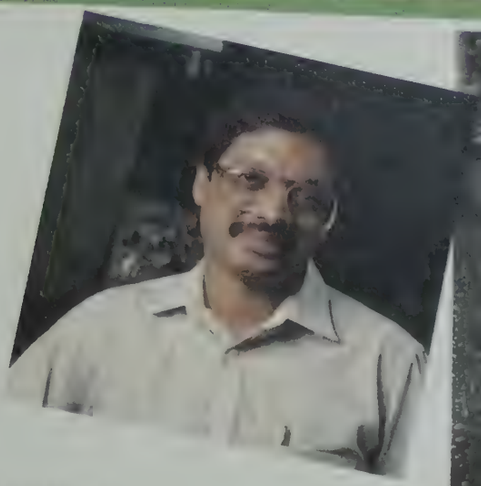
Age:_____

Profession:_____

Date:_____

MKL VMC 345

CNC VERTICAL MACHINING CENTRE
THE MULTI PURPOSE WORK STATIO



agarjun Sakhamuri Director,
d High Vacuum Pvt. Ltd.,
ngalore



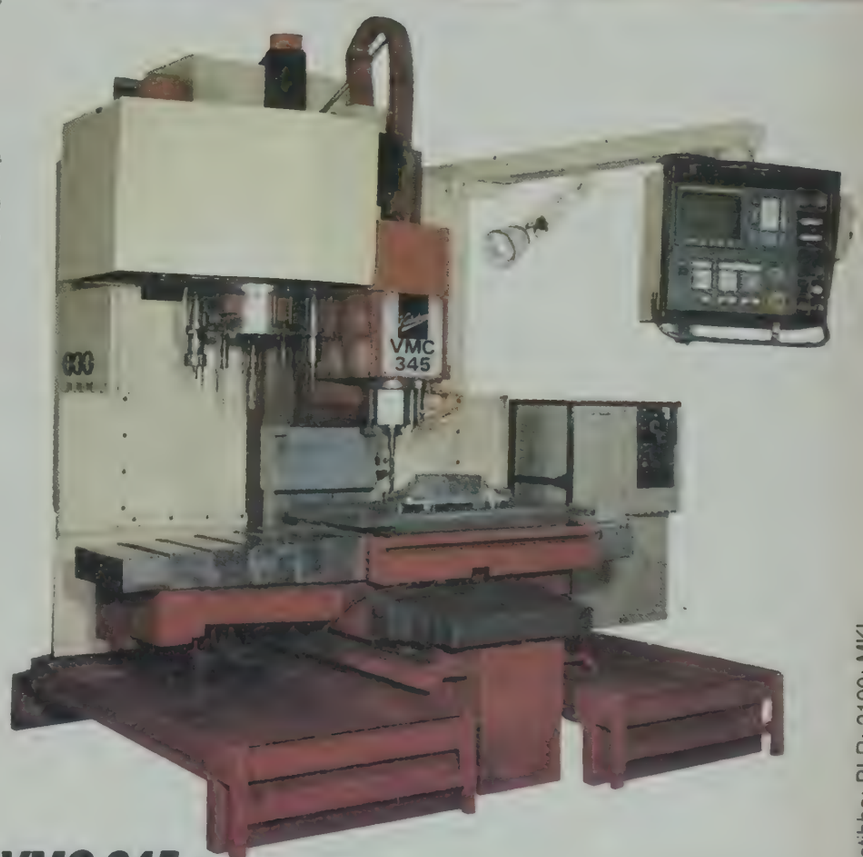
Unmatched flexibility, ccuracy and repeatability t a single point"

Being a major manufacturer of high vacuum pumps, demand exceptional quality and accuracy from my achined components. To significantly improve oductivity and to ensure a high degree of erchangability of components we went in for a CNC achining Centre.

The VMC-345 matches our every expectation on ese parameters. In flexibility, accuracy and peatibility it gives us very satisfactory results. I use it do every machining operation – from raw casting to shed product at single point – milling, drilling, tapping d boring included. In fact, without my VMC-345 I'd obably have to shuffle my component between o 10 machines.

Mysore Kirloskar is always accessible and co-erative and service is immediate and efficient.

And what's more, the VMC-345 is perhaps the st economical system in its range.



VMC 345 Salient Features

- Compact, versatile and simple construction for easy maintenance.
- SG Iron Bed and column alongwith high powered spindle motor and powerful axes drives enable vibration free high metal remover.
- Laser calibrated machine axes with built-in close positional and repeatability accuracies enable machining of intricate components accurately.
- Large daylight area to accommodate a wide range of components.
- CNC Control with facility to store more than 50 part-programs over and above the provision to edit a program during execution of other programs/operation.
- Machine fitted with highly reliable FANUC package for maintenance free operation.

Kirloskar

THE MYSORE KIRLOSKAR LIMITED

eadership through international acceptance.

l. Office: Yantrapur, Harihar 577 602, Karnataka, India
e (08197) 2205/2206/2207 Telex: 0834-222-MKL IN
e: MYTOOLS Fax: 08197-2309

COUNTRY FUNDS

Destination India

In recent months, India as a country and its stockmarkets have caught the attention of the world's large financial institutions which are moving through the vehicle of country funds

With the Kuwait crisis pushing oil prices to the $30 per barrel mark, stock indexes in the international capital markets have started plunging. The Dow Jones and the Nikkei suffered hefty decline in the last two months, leading the way for similar movements in the London Stock Exchange, Hong Kong Stock Exchange and the Singapore Stock Exchange.

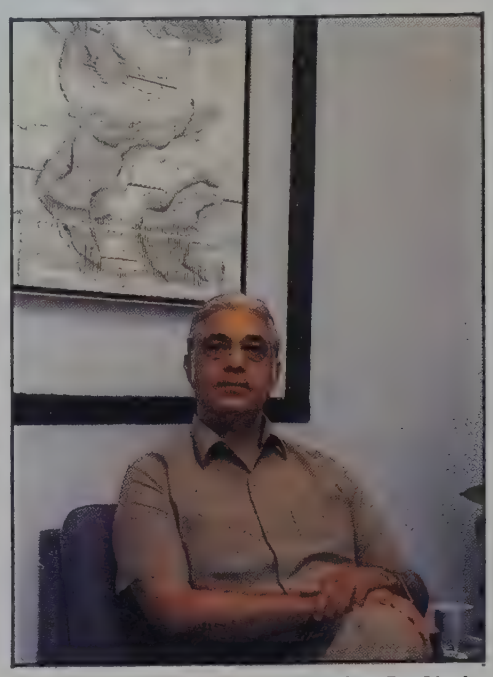
But the Bombay Stock Exchange is unstoppable in its quest for new peaks. The BSE Sensitivity Index (of 30 pivotal scrips) is hovering around the 1,500 mark and market capitalisation moved closer to Rs.80,000 crore, showing once again the insulated nature of India's capital markets. While stockmarkets all over the world are shedding values, investments in India are proving to be a hedge against such uncertainty, and not surprisingly, this phenomenon has caught the interest of international investment institutions. But with every passing month, the interest is waning. Two months ago, M.J. Pherwani, chairman, Infrastructure Leasing and Financial Services, after a visit to London said, "My meeting with several institutions' representatives confirmed that India continues to be one of the choice destinations for the international investor community." This was at a time when India was already going through political turmoil and before the country was 'put on watch' by credit rating agencies Moody's and Standard & Poor. In June-July, the world was still overlooking India's internal problems.



Korner: "Logical to look at India, sooner or later"

"Changing mood"

But last week, back from another visit to London, Pherwani came back with a different impression. "The mood is changing. Investors are turning homewards. As always, in this business timing is very important." The recent developments may prove to be a temporary setback to Indian efforts to attract foreign capital using the mutual fund vehicle. How will proposals to raise several more offshore funds by the Industrial Development Bank of India, the Life Insurance Corporation of India, the Infrastructure Leasing and Financial Services be received by institutional investors in the west?



Pherwani: ambassador for India's capital markets

Undoubtedly, India is emerging as a player in the international capital markets arena. As the English summer turns into autumn, at least three major country funds for India with initial public offers totalling $200 million were targeted for investment in the Indian stockmarkets. All the three capital commitments have been honoured. The Commonwealth Equity Fund finally collected $ 50 million in the second week of September. Before the Kuwait crisis in June, Batterymarch Financial Services, the fund managers, had circulated a draft placement to gauge the market for an estimated sum of $100 million. In July the Himalaya Fund — overseas fund managers WI Carr, the associates of Indo-Suez Bank — mopped up $100 million. (Both have Canbank Mutual Fund as Indian fund managers). In the same month, India Magnum Fund 'B' was listed in Amsterdam after it collected $50 million at an issue pri $26.29. In addition, a second tranch the India International Fund advise ANZ Grindlay Bank garnered about million earlier in June. More funds a the pipeline leading to North Block. G the government's mood and the fav able attitude of the international fina community towards stockmarket India, the list of Indian country fun growing — UTI Nomura Securities, Invesco and State of India, Canara and Alliance Secur USA and others.

The Himalayan will invest 80 per ce Indian markets, the ance to be spread Sri Lanka, Bangla and Nepal. Accordi Canbank Mutual F the Indian manage this fund, a large po has already been vested and "a profit of more than crore was recorded after." The Comm wealth Fund will fol similar investment policy — 40 per ce India; 40 per cent in Malaysia and the ance spread through 16 developing tions within the Commonwealth, as when opportunity arises.

In recent months, India as a cou and her stockmarkets have caught th tention of the world's largest investi institutions, with not less than $ 5 bi each to invest.

Says Andrew Korner, former mana director, Merrill Lynch (Asia Pacific) currently the managing partner o Asian Capital Partners, Hong Kong, concept of opening of Asian stockma to foreign investors was establishe South Korea in 1981 and Taiwan in mainly through the vehicle of cou funds which attracted institutional i tors in the UK and Hong Kong."

They were successful because in t countries they were the only vehicle portfolio investment in the high gr economies. "I set up the fund for K Taiwan, Thailand. It was logical for t nancial institutions to look at I sooner or later. So I went to India in and did a survey and it was obvious there was great potential — the econ was strong and so was the stockmar Korner explains. According to him, a l

ınd work was done by Manohar Pher-
i, whom he described as man of stat-
and experience. "India is badly
rted and badly understood and there-
when groups of representatives from
-known investment companies such
idelity Management, Templeton, Bar-
International Investment visited
a, they were impressed by what they
in Indian industry, the stockmarkets
the government set-up," recalls
ıer.

lient funds

ıer's experience with the ministry of
ıce turned out to be very positive. Ac-
ing to him the basic concept for an
ın offshore fund, jointly with the Unit
t of India, was informally approved
rds the end of 1984. In Korea this
three years, and the Taiwanese gov-
ent took a year and a half. In July
, after the new government headed by
Gandhi was firmly in place, UTI and
ill Lynch stepped gingerly into the
l markets and made an initial public
of $ 75 million at a price of $ 1.0525.
was the curtain raiser and 'India
' was launched. In the last four years
fund made a further issue of $ 41
ın.

mments Ashok Ganguly, former
man, Hindustan Lever and currently
tor Unilever plc, London who was a
ber advisory board, India Fund, "If
ook at the Indian equity market, its
h has been phenomenal by any yard-
What we are seeing is a globalisation
e Indian economy
he interest in the
n sharemarket and
tries."

untry funds may
to be a new form of
tment particularly
e Asian markets.
short history of
years (*see table*)
that despite politi-
heavals and eco-
crises, funds
ed for the emerg-
arket have shown
nce.

ilarly it is ex-
l that the current
al turmoil in India
er external pay-
liabilities will
e over. The inter-
al investment
unity is expected



Morena: no choice but to be shareholder in India Fund

to take a long term view of the Indian stockmarkets and relate it to the 6 to 7 per cent GDP growth awarded by the Indian economy five years in a row.

Like other economies in the Asian region, India has benefited by going for offshore/country funds. The initial success of this seemingly new investment vehicle has attracted a good deal of enthusiasm among the Indian institutions. Many of them are talking of tapping markets overseas.

Country funds, however, are not new. A report by the Commonwealth Secretariat, London traces the origin of country funds to Japan. Twenty years ago, this country gave access to foreign investors to the Japanese stockmarket through this mechanism. Internationally-oriented investors have long held special funds with investments in some emerging markets, such as Australia, Singapore, Malaysia and Hong Kong. "In the seventies, there were several. However, the number of developing country funds with an initial size of over $5 million has more than doubled and around $1.5 billion has been mobilised by them," states the report. Characteristically, these are closed end funds, meaning thereby that number of shares is fixed and the investors cannot 'redeem' their shares as in a unit trust but have to sell them to other investors like any other share. Thus, specific amount of money is raised and then invested in a country's stockmarket.

The 'closed end' character guarantees a stabilising influence in the market, as most of the funds have a long term maturity. Wherever direct portfolio investment is not possible — as with Korea and Taiwan — and India (except for NRIs) country funds are the only route available for the investment institutions. Not surprisingly, they have traded at a premium. Where markets are easy to enter directly (as with most developed countries) there is no advantage in entering through a country fund and paying commission fees. Some relatively successful funds — Thailand and Malaysia — have, nonetheless, operated in markets otherwise quite easy to access and their appeal probably lies in the expertise of a fund in choosing among internationally unfamiliar stocks.



Persaud: promise of substantial market capitalisation

Assuming that the interest in the Indian stocks for foreigners continues to grow, should the ministry of finance open its doors wide? Comments M.J. Pherwani, often regarded as the ambassador for India's capital markets to the world at large, and who as chairman of UTI became responsible for successfully structuring two offshore funds — the India Fund listed in the London Stock Exchange and the India Growth Fund, listed in New York Stock Exchange — "the idea is to see that at any given point in time the Indian secondary market is not flushed with such funds. We must not lose the interest of investors investing in India," he emphasises.

The country funds concept has once again enthused institutional investors for the last two to three years. Such investors — pension funds, and life and general insurance companies in the US — started accepting emerging markets as a separate asset class.

"Pioneering effort"

Seeing this trend, B. Persaud, director and head, economic affairs division, Commonwealth Secretariat, London strongly recommended the establishment of a multi-country equity fund at one of the Commonwealth finance ministers' conference. The objective was to make a correction by which such funds could be channelised into the stockmarkets of the smaller countries within the Commonwealth namely, Sri Lanka, Bangladesh, Trinidad & Tobago, etc. "It certainly called for a pioneering effort," he says. Thus the Commonwealth Equity Fund was born with Persaud's office playing catalyst. Ac-



— Dr. Sumedha Sahni
M.B.B.S., M.D.

"LESS OIL IS MORE HEALTH"

There's fat in rice, wheat & vegetables?

Certainly. Nature puts it there. Invisible fat, but it's as vital for health as protein, or vitamins. It's when we add on the oils and fats in cooking that the trouble starts.

Cooking fats — and health

The National Institute of Nutrition, Hyderabad, declares that the Indian diet can contain twice, even thrice, the fat we actually need, thanks to the way we overdose cooking with oil. This, the Institute warns, is a serious health hazard, especially for the heart.

How to prevent health problems

Rely on the fats you are getting invisibly, that come naturally in cereals, dals and vegetables. Measure out the oil, or vanaspati, or ghee that you cook with : 2 tablespoons in all per family member per day. More is a health risk and so unnecessary. Low oil cooking can taste so good! Try these delicious recipes and see.

LOW OIL COOKING

KANDA BATATA NEE SOOKI BHAJI

A light Gujarati dish to go with any Indian meat dish.

½ kg potatoes (3/4 boiled in their jackets, peeled and cubed);
½ kg sliced onions;
1 tsp cumin; pinch of asafoetida (hing); 1 tbsp oil; salt; ½ tsp turmeric;
½ tsp chilli powder; 1 tsp coriander powder; ½ tsp cumin powder; juice of 1½ limes.

Method Heat oil. Add cumin seeds and asafoetida. When cumin stops spluttering, add onions lower heat and fry onions till light brown. Add potatoes and the rest of the ingredients. Cook on a gentle fire till potatoes are done. (serves 3-4)

CHANNA DAL

A delicious and easy to make South Indian dish.

½ kg channa dal soaked overnight in water; 1 tsp turmeric; 1 tbsp chopped ginger; 1 tbsp chopped garlic; ½ cup tamarind water; salt.

Turka 3 tsp oil; 3 broken red chillies; 1 tbsp chopped ginger; 1 tbsp chopped garlic; 1 tsp cumin seeds.

Method Boil dal with all the ingredients with just enough water to cover and adding water as required. The dal must be cooked but remain whole. If any water is left after the dal is cooked, strain it off. Heat oil, add cumin seeds, when they stop spluttering, add rest of ingredients; toss for half a minute and add to dal. (serves 4-6)

FREE

FOR DELICIOUS, LOW OIL RECIPES
WRITE TO P.O. BOX NO. 55, NEW DELHI - 110 001.

"LESS OIL IS THE HEALTHY WAY JUST TWO TABLESPOONS A DAY"

Released in the public interest by this publication and the Technology Mission on Oilseeds.

ASP-D/TMO/1/ENG/90-91

merging stock arkets

is a world by itself. And what sets it art is that most of the economies — ere are 25 according to the Emerging ock Markets Factbook, 1989 pub-hed by the International Finance rporation, Washington — have been ıctioning as worlds unto themselves. e common denominators have been sence of free foreign exchange flows, tricted foreign investment policy king the economies very insulated. the world became more interna-nalised, and investment oppor-ities emerged out of these nomies, the developed world got a l of the shape of things to come. These economies provided, for the t time, access to investors into mar-s where direct holdings in stock and res are not permitted even today. erging markets provide new oppor-ities for capital appreciation, with st markets in the Asian region ving grown only in the past ten years. hat extent, calling the Indian stock-rket as emerging is a misnomer — Indian market, as represented by Bombay Stock Exchange, is per-os the oldest stockmarket in the rld. An experienced fund manager, ton M. Biggs, chairman, The India gnum Fund and president, the in-tment bank Morgan Stanley USA, s, "My pick for the best market for 1990 is India."

udging by the several indicators, ia scores very high compared to ny other countries. For instance, ong countries that fall under the ambit of "emerging stockmarkets", (by the IFC definition) as of end 1989, India with a market capitalisation of $27 million, was ranked fifth after Taiwan which aggregated $ 237 million, Korea $141 million, Brazil $44 million, and Malaysia $40 million. With a total number of 6,000 listed companies India was several leaps ahead of these Asian tigers, Korea being the far away second, with 626 listed companies.

The Factbook's calculation of a price-earnings ratio of 18:3 at end 1989 appears to be somewhat high. A record breaking BSE index has pushed up current values, taking the average P/E ratio of the Indian market from 11 in May (pre-boom) to 18 by end-September. Again India is sixth in a list of 25 emerging markets spread over Latin America, East Asia, South Asia, Europe, the Middle East and Africa.

The other feature that makes the Indian market attractive to foreign investors is its steadiness. It neither figured in the list of best performance markets nor in the worst performing markets category. These honours went to Turkey and Venezuela respectively.

What has caught the foreigners' eye is the future potential of the Indian market. Market capitalisation as a percentage of GNP is a good indicator of how well priced is a given stockmarket. With the Indonesian market yet to function in 1988, it was the lowest on this account. India stood at approximately 10 per cent while others such as Philippines were 12 per cent, Thailand 20 per cent, Malaysia 90 per cent, Korea 74 per cent. Among the developed economies, Japan's was the highest being close to 150 per cent followed by the UK at around 100 per cent and the US being the same as Korea.

An exception. Most emerging markets have few companies that would be recognised by international portfolio managers as sufficiently 'liquid and visible' to merit investment, India being the only exception. The IFC estimates that only 300 companies out of 8,500 traded stocks in 18 countries would merit that classification. The market will widen as equities assume more importance among the assets of the financial system. Malaysia's proportion is around 25 per cent but, for many developing countries, it is under 10 per cent.

Emerging markets frequently need reform in respect of standards of investor protection, company information and efficiency (the recent difficulties in Hong Kong suggest that these problems extend even to the more sophisticated markets). A recent survey of disclosure requirements, accounting standards and investor protection in 22 emerging markets judged only six — including India and Malaysia — to be of internationally acceptable standards.

A more positive approach is now adopted, on both sides. Developing countries can see several potential benefits. To quote the Commonwealth Report country funds are a source of new equity capital to meet the demands of expanding domestic firms leading to new investment through new issues. Moreover, such investments can raise the international standing of local companies and enable them to make future convertible bonds or stock issues in international markets on attractive terms.

An important factor is: such investments do not involve control of domestic firms as in the case of multinational corporations. Genuine portfolio investors are usually passive, uninterested in management and voting control, and primarily concerned with acquiring small shareholdings for diversification purposes. The increase in demand for domestic stocks and greater market activity lead to broader, more efficient, capital markets. As a next step, the debt/equity conversions trend could be of great help to severely indebted countries. Country funds would help accelerate this trend where applicable.

ntry fund chronology

	Initial size	Sponsor/Manager
Korea Trust	US$15 m	Merrill/Cazenove/Nomura/ Schroder/ Sambo
Korea Fund	US$60 m	IFC/First Boston
Bangkok Fund	US$10 m	Merrill
India Fund	£ 60 m	Merrill/Unit Trust of India
Thailand Fund	US$30 m	IFC/Vickers/Morgan Stanley
Malaysia Fund	US$86 m	Merrill/Morgan Stanley/Arab Malaysian
Asian Development Equity Fund	US$100 m	ADB/Nomura/Templeton/Morgan Grenfell
India Fund	£ 60 m £ 41 m	
India Growth Fund	US$ 60 m	Merrill Lynch/Unit Trust of India
Himalaya Fund	US$100 m	Indo-Suez/Canbank Mutual
India Magnum 'B'	US$ 50 m	Morgan Stanley/SBI Capital
Commonwealth Equity Fund	US$ 56 m	Batterymerrh/Canbank Mutual

cording to him, for India the funds would have a lock in period of at least five years, while in Malaysia's case there was no such restrictions. (Both countries would account for about 80 per cent of funds). For the smaller countries, the fund would play a developmental role, providing realistic value to quoted stocks in the respective stock exchanges which will help companies to go public. As a representative on the board of the Commonwealth Equity Fund, Persaud would ensure that over a period of time the funds shift to the markets of the smaller economies. But for the time being, it is India, "where there is a promise of substantial market capitalisation".



Alletzhauser: "We want to bring money into India"

One of the main attractions of the India country funds has been the restrictions otherwise placed on direct foreign investments in the Indian stockmarkets. Says Glen Morena, the London-based president of Fidelity International, a well known mutual fund group from the US, "We don't normally buy into other people's funds but we have been a shareholder in the India Fund because we don't have any choice." According to him, Fidelity has chosen to hold on the investment because the Indian market offers a variety of securities from various sectors and it is a stockmarket which is ready and now available for accessing, albeit in a limited fashion unlike several others in the region. "Our experience has been good but had we inve rectly through our own fund ou would have been closer to $ 100 m against only a few million dolla rently," says Morena.

The only route open to investme panies wanting access to the India markets is an association with the public sector financial instit banks. A proposal that is pending North Block is a $100 million fu India Super Growth Fund, with a lands domicile, would have a publi on the Amsterdam Stock Exchan fund which would be placed thr prospectus by Invesco MIM, UK an be a perpetual closed end fund, wit vision to convert into an open end after 25 years.

The structure of the fund follows precedents. Investment managem be entrusted to SBI Capital Mark advisor would be Invesco MIM. A company, The Emerging Market pany would be responsible for the isation of the fund and for raisi

THE CHANGING FACE OF PROGRES



– is especially rapid at Gajra Bevel Gears
New growth – new thrust – new diversific

$100 million. Comments Albert J. nauser, one of the directors of the nd the managing director, Emerg- arkets Company Limited, "The dif- e between our proposal and the funds is that they were conceived, sed and launched by American se- es houses for their affiliates. We o bring the money into India from a ul of premium fund management s so that we don't have to under- If it works, Alletzhauser expects a aving of 8 to 9 per cent. Since it a private placement, "We don't o wait for a proper timing." About onths ago, approximately $70 to 80 was "verbally subscribed" to by nstitutions.

fund expects to benefit from the taxation treaty between the lands and India. The fund will be a prospectus only to get a listing, letzhauser. "That will give the fund y as we expect active trading." Al- ser is very optimistic about India. ct is that it compares very well with

Indian offers

Fund	Listed on	Issue price	Price on 26 Jly '90	Price on 29 Aug '90	Estimated NAV on 25 Jly '90	Estimated NAV on 29 Aug '90	Premium discount to NAV
India Fund	LSE	£1.0525 £2.14	268p	220p	233p	237p	+15.0%
India Growth Fund	NYSE	$12.00	$18.00	$15.50	$14.78	17.1782	+21.8%
India Magnum Fund 'A'	NA	$10,000	NA	NA	NA	NA	NA
'B'	Amsterdam	$26.29	$28.00	$26.00	$24.62	$26.00	+13.7%
Himalaya Fund	Amsterdam	$10.50	$10.05	$10.05	$10.00	$10.00	+0.1%

China — even better in some respects. It has the world's largest number of listed companies outside the US and, in terms of infrastructure, India is well placed," he states. As he puts it, "Everybody was trying to find the next Japan and I said, whoa, back up a minute, my view is that India has the continuity of capitalism through its stock exchanges."

"If the India Super Growth Fund becomes a reality, I don't see the fund performing in competition with other funds. I see a lot of room for everyone," says Alletzhauser who is particularly enthused by the performance of the existing India country funds.

Several fund managers, comment that the Indian government is not ready to exploit the full potential of the international financial markets because of the fear of take-overs. Comments Caroline Tillot, investment manager, John Govett & Co, London, "With India, one of the main problems that I came across on a visit last year is that we are not seen as passive investors. There seems to be a wide gap between



The ships of olden times have made way for sophisticated ocean liners and vessels – it's just one facet of our changing world.

And so too has Gajra 'changed' but far more rapidly. With determination, high technology and an obsession with excellence – Gajra Bevel Gears is today a leader in gears in India. Has earned a reputation in 37 countries abroad too. Now, gearing up for globalisation with a whole new thrust in overseas markets.

Gajra Bevel Gears is committed to the drive towards expansion and globalisation. An ambitious Rs. 12 crore expansion and modernisation programme will widen its horizon – boost capacity from 2500 tpa to 6300 tpa. Yes, Gajra Bevel Gears surges ahead – setting the pace with the changing face of progress.



GAJRA BEVEL

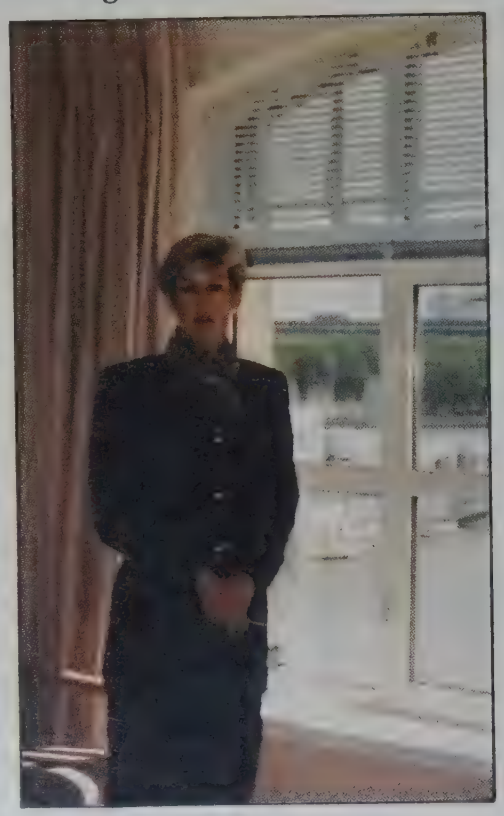
Gajra Bevel Gears Ltd., Dewas
M.P. 455 001

Imageads/GBGL/90252

the government of India's perceptions of the role of foreign funds and what we actually want to do." According to her, the government fears that the money that comes in will go out quickly. "The fact is this is not hot money and we, sitting in London, cannot dictate whether the fund should be invested in a glass company or a fertiliser company. The point is we want to be passive investors. We believe that India is too big to be ignored and confident that investments in India would justify the returns as evidenced by the performance of the India Fund."

After a fashion

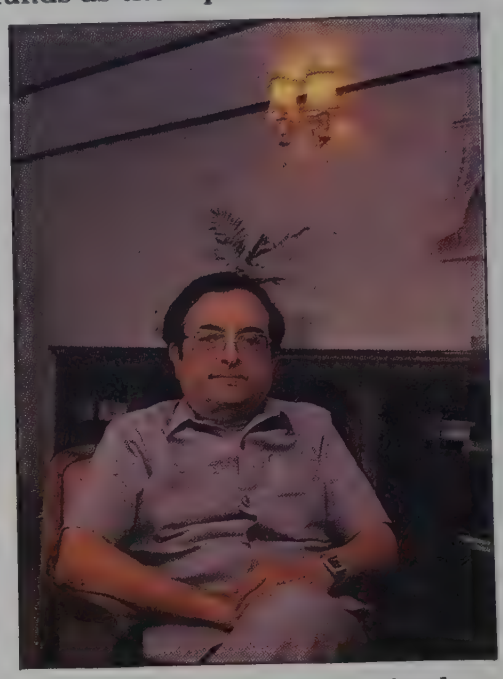
The trend in favour of investing through country funds is also perceived in some quarters as following after a fashion. As a result, investment companies are known to have gone in blindly buying into country funds as it provides a first step in learning about each market. Says Charles Lillis, executive director, Merrill Lynch International Ltd, one of the pioneers and number one company in mobilising new equity, "We, at Merrill Lynch, have always tried to put together what investors want and what also makes sense. The question we ask as arrangers of funds, are we Merrill Lynch happy to put our name to a proposal as lead managers?" This US headquartered stock broking company played a pivotal role in mobilising capital for the India Fund and the India Growth Fund. With tremendous clout in the secondary market as a largest trader — the company trades in all the funds that brings to the market, Merrill Lynch has been particularly successful in country funds. In his view Indian markets could attract more funds but it would be wrong to believe that there is a sweeping demand for Indian stocks.



Tillot: "India is too big to be ignored"

What probably makes India an attractive proposition despite its myriad problems is that the Indian market is ahead of several other emerging markets. Says Alex Catto, managing director, Lazard Brothers Ltd, London, "The difference between investing in India and other country funds is that in India you bring in only capital and in other places you have to bring in capital as well as expertise."

According to him country funds are only a first step. "The next step would be when individual Indian companies raise funds abroad through convertible debt instruments followed by direct foreign equity investments, which is what India really needs," Catto asserts. "People don't like to invest in country funds as the liquidity is low and it is not a substitute for direct investment," he says. He is of the view that the economy may be stretched a little bit today but that alone has not dampened spirits in the market abroad. "We are looking at the possibility of an Indian country fund but we haven't gone far on the line. Let's see how it works out," he says.



Parande: "Interest is mixed with apprehension"

Till about two months ago, every other fund manager wanted to have a piece of action in India. If today interest is a little slackened, its probably more because the international crisis which is likely to directly affect several economies including India. But as David Scholfield, director, Baring International Ltd says, "Markets all over the world are on a decline curve except in India where the prices are going up. This is a phenomenon that we are watching very closely."

The insulated nature of the Indian economy and stockmarket has been very much in evidence in the days and weeks following Saddam Hussein's invasion of Kuwait. As the BSE index gallops towards a new peak — it has put into full view the resilient nature of the Indian economy. What propels foreign investors to India is its estimated middle class population of 100 million, and the fact that it is the largest democracy in the world. With a per capita GNP a mere $319 ($650 for the Philippines, $1,052 for Thailand, and $6,051 for a full fledged New Industrialised Countries (NIC) like Taiwan). India is where the four tigers were 10 to 15 years ago. In other words, the economy is at the point where, with luck, accelerates.

More than this, the Indian stockmarket at $30 billion is already as large as Malaysia or Singapore, but it is a mere 10 per cent of GNP versus 121 per cent for Singapore and 86 per cent for Malaysia. It has 5,000 listed companies of which many are substantial in size.

Capitalism has deep roots in India. The market is closed to foreign investors and actually has a negative correlation with the gyrations of the US market. Accounting practices are conservative and derived from India's British past. Average daily trading volume is about $ million, and the market index is yet low compared to other markets.

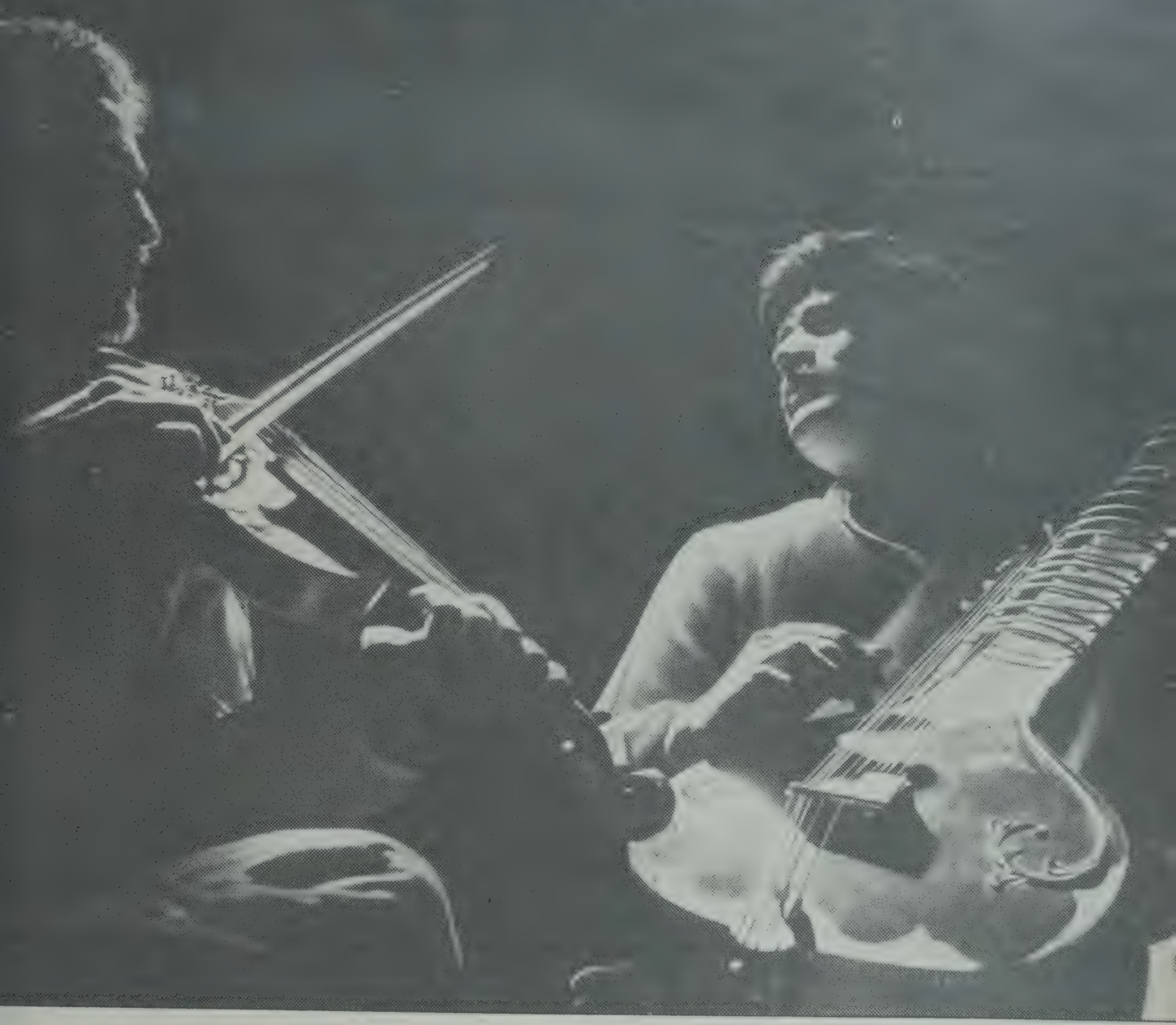
Country funds can prove to be a viable route for foreign exchange flow into India. But according to some estimates India can still raise up to $1 billion over a two year period. Says Parande, executive director, SBI Capital Markets, "The basic idea is to maintain the inflow of foreign funds which should not be difficult given the fact that some of the investment institutions are fund flush."

The government must take into account whether the new funds propose to invest in small and medium companies and also the maturity period of the fund. As Parande says, the joint collaborations with foreign institutions would help us in developing a global investment strategy. India's free foreign exchange reserves which are currently invested in low yielding US government securities.

In today's context, as the novelty of India country funds start wearing out, it is clear, however strong an economy may be, it can never have an infinite capacity to absorb funds. So the real solution to India's ballooning external debts is exporting Indian produce to international market. To a certain extent the hard currency proceeds from country funds invested in new and expanding companies could help accelerate this objective. ■

BASUDEV D

A corporate get-together that makes sound business sense.



gappa Industries Merges With Bhagyanagar Metals.

The stage is set for the professionals. Gangappa Industries and India Extrusion - a Unit of Bhagyanagar Metals, now join forces. To manufacture a range of super enamelled wires that find application in a cross-section of Industries. The technical expertise of Gangappa Industries combines with the dynamic management and financial strength of Bhagyanagar Metals (a division of Surana Udyog) to define a forward integration plan.

Over the years, the Surana Group has forged ahead setting industry standards, thriving on innovation. But then, what else would you expect from professionals who've always believed in a virtuoso performance.



SURANA UDYOG GROUP

5th Floor, Surya Towers, Sardar Patel Road,
Secunderabad - 500 003.
Phones: 845119, 845046, *Facsimile:* 0091-842-840851
Telegrams: GULAB Secunderabad 500 003
Telex: 0425-6728 GMS-IN

MANUFACTURERS OF CONTINUOUS CAST COPPER RODS AND SUPER ENAMELLED COPPER WIRES

Senior executive positions

A compilation of executive jobs advertised in **Business Ind** other major publications between 10 and 23 September 199

THE FOUR BEST JOBS

- CHIEF EXECUTIVE * Coimbatore * *Sal* Negotiable * *Age/Qlfn* NS * PG in management/business administration * *Reqd* 15-20 years experience in reputed organisation of which 5 years at a senior level * *Cont* The Lakshmi Mills Co Ltd, 348, Avanashi Road, Coimbatore 641037 (ToI - 10.9)
- VICE-PRESIDENT (Manufacturing) * New Delhi * *Sal* NS * *Age/Qlfn* Around 45 years * Graduate engineers preferably with PG degree in management * *Reqd* 15-20 years experience in factory management in a process industry * *Cont* MS/4958, A.F. Ferguson Associates, Hansalaya, Barakhamba Road, New Delhi 110001 (ToI - 17.9)
- VICE-PRESIDENT (Merchant Banking) * Bombay * *Sal* *Age/Qlfn* Around 30 years * MBA (Finance)/CA or equival *Reqd* Exposure to above operations for at least 3-5 years * LBS/154, Personnel Search Services, 3rd Floor, Sam Chambers, Sir P.M. Road, Bombay 400001 (ToI - 17.9)
- CHIEF EXECUTIVE (Textile Project) * Delhi * *Sal* Rs.2.5 pa + house + perks * *Age/Qlfn* 40-45 years * CA/ICWA/ *Reqd* Total manager with ability to implement the proj *Cont* Personnel Selection Division, Montec Consultants Pv 805 Vishal Bhavan, 95 Nehru Place, New Delhi 110019 (22.9)

NATIONAL

- CHIEF EXECUTIVE * NS * *Sal* NS * *Age/Qlfn* 40-45 years * NS * *Reqd* 10 years experience in managerial position * *Cont* The Chairman, Kalpataru Group of Companies, 111 Maker Chambers IV, Nariman Point, Bombay 400021 (ToI - 19.9)
- PROFIT CENTRE HEAD * NS * *Sal* Rs.3 lakh pa * *Age/Qlfn* NS * Engineers or MBAs * *Reqd* At least 15 years experience. Last five years in an industry holding a senior position * *Cont* Noble House, Management & Placement Consultants, D-214, Defence Colony, New Delhi 110024 (ToI - 12.9)

WEST

- NATIONAL SALES MANAGER * Bombay * *Sal* NS * *Age/Qlfn* Around 35 years * Preferably an engineer with MBA * *Reqd* At least 8 years experience in industrial selling. Currently employed as regional manager in any reputed organisation * *Cont* Vice-President (Personnel), Blow Plast Ltd, Post Box 9145, Bombay 400025 (ToI - 10.9)
- GROUP VICE-PRESIDENT (Quality Assurance) * Bombay * *Sal* NS * *Age/Qlfn* NS * NS * *Reqd* Experience in pharma and engineering activities companies abroad would be an advantage * *Cont* The Managing Director, Associated Capsules Group, Kandivli, Bombay 400067 (ToI - 10.9)
- CHIEF EXECUTIVE OFFICER * Baroda * *Sal* NS * *Age/Qlfn* 40-45 years * MBA in marketing/finance or BE (Mech) with a PG in marketing/finance * *Reqd* At least 5 years experience at general level in a medium-sized company * *Cont* K.S. Basu & Partners, 203 Neelam, R.G. Thadani Marg, Worli, Bombay 400018 (ToI - 10.9)
- GENERAL MANAGER * Ahmedabad * *Sal* Attractive + accommodation * *Age/Qlfn* Around 40 years * CA/MBA (Finance) * *Reqd* At least 10 years experience in rural lending, raising resources, banking and general administration * *Cont* Pratibha Sheth, Executive Director, Shilputsi Consultants, P.O. Box 9386, Bombay 400026 (ToI - 10.9)
- VICE-PRESIDENT (Marketing) * Bombay * *Sal* Excellent + housing * *Age/Qlfn* 33-38 years * MBA * *Reqd* 10-12 years experience in marketing * *Cont* MS/5563, A.F. Ferguson Associates, Post Box 1786, Bombay 400001 (BI - 17.9)
- EXECUTIVE DIRECTOR * Bombay * *Sal* NS * *Age/Qlfn* NS * NS * *Reqd* Techno-commercial experience of establishing and operating projects * *Cont* Managing Director, National Steel Limited, Vidyavihar, Bombay 400086 (ToI - 17.9)
- VICE-PRESIDENT (International Sourcing & Shipping) * Hazira * *Sal* NS * *Age/Qlfn* NS * NS * *Cont* 128 Central Recruitment Cell, The Reliance Group of Companies, Maker Chambers IV, 222 Na Point, Bombay 400021 (ToI - 17.9)

NORTH

- CHIEF (Manufacturing) * North India * *Sal* Rs.10,000-15,0 + house + car * *Age/Qlfn* 45-50 years * Mechanical/ele engineers preferably with PG in management * *Reqd* 20 year vant experience in light engineering/consumer durable in ofwhich 10 at a senior level * *Cont* TMP/10, OMAM Consulta Ltd, 14-D, Vasant Lok, Vasant Vihar, New Delhi 110007 (ToI
- GENERAL MANAGER (Refrigeration) * Faridabad * *Sal* NS *Qlfn* NS * Mechanical engineering graduate * *Reqd* At least 1 experience in a light engineering industry of which 5 at a level * *Cont* Chairman & Managing Director, Kelvinator of Ltd, 28 NIT, Faridabad 121001 (ToI - 17.9)

SOUTH

- VP/GM (Marketing) * Madras * *Sal* * *Age/Qlfn* 35-40 years * ness management/marketing MBA * *Reqd* 12-15 years p track record in marketing and sales of consumer products, p ably beverages * *Cont* VPG/MDS/31, ABC Consultants Privat 4 Khader Nawaz Khan Road, Madras 600006 (ToI - 17.9)
- GENERAL MANAGER (Operations) * Madras * *Sal* NS * *Ag* NS * Engineering background * *Reqd* Experience in co-ordi manufacturing quality control and industrial relations * *Co* Director, Solidaire India Ltd, 14 First Main Road, Gandhi Madras 600020 (H - 19.9)

EAST

- VICE PRESIDENT (Marketing) * Calcutta * *Sal* NS * *Age/Q* low 45 years * NS * *Reqd* Proven track record, innovative app and new market development * *Cont* R.S. 592, Sigma Consu Pvt Ltd, 11 Camac Street, Calcutta 700017 (H - 22.9)

OVERSEAS

- GROUP FINANCIAL CONTROLLER * Zambia * *Sal* NS * *Age* NS * Chartered accountant * *Reqd* At least 10 years experien senior position * *Cont* Managing Director, Gardner Denv (CA) Ltd, P.O. Box 71858, Ndola Zambia (ToI - 23.9)

ecutive positions

TOI — Times of India; *IE* — Indian Express; *H* — The Hindu; *S* — Statesman; *HT* — Hindustan Times; *ET* — Economic Times; *Econ* — Economist; *BI* — Business India

IONAL

RKETING COMMUNICATION MANAGER * NS * *Sal* NS * *Age/* n NS * Engineering or management/communications gradu- s * *Reqd* At least 2 years experience in marketing communica- as/marketing services or support function in engineering/ tronics/computer related fields * *Cont* The General Manager, emount (India) Limited, 26, Maker Chambers VI, 2nd Floor, iman Point, Bombay 400021 (ToI - 13.9)

NAGER (Production Planning and Control) * Bombay * *Sal* ellent * *Age/Qlfn* NS * Graduates, preferably pharmacy/engi- ring * *Reqd* 10 years experience in large pharmaceutical organ- ons * *Cont* The General Manager (HRD), Lupin Laboratories 159 CST Road, Santa Cruz East, Bombay 400098 (ToI - 10.9)

ANCE MANAGER-CUM-COMPANY SECRETARY * Vapi * *Sal* nd Rs.1 lakh pa * *Age/Qlfn* NS * CA or CS * *Reqd* About 10 s post-qualification experience in finance and at least 2 years ompany secretary * *Cont* General Manager (Finance), Rama and Papers Limited, 812, Raheja Chambers, Nariman Point, bay - 400021 (ToI - 12.9)

INESS DEVELOPMENT MANAGER * Bombay * *Sal* NS * *Age/* Around 35 years * Chemical engineer * *Reqd* 12-15 years erience in sales/marketing of packaged turnkey products * Personnel Manager, Kilburn Engineering Ltd, Subash Nagar, ndup, Bombay 400078 (ToI - 13.9)

DUCT MANAGER * Bombay * *Sal* NS * *Age/Qlfn* 25-30 years * * *Reqd* 20-40 years product management experience in a ted consumer product company * *Cont* Box M049-S, Times of , Bombay 400001 (ToI - 17.9)

KETING MANAGER (Consumer Products) * Bombay * *Sal* ctive * *Age/Qlfn* NS * PG qualification in marketing manage- * *Reqd* At least 12 years experience in field sales and market- reas * *Cont* MS/5576, A.F. Ferguson Associates, Post Box Bombay 400001 (ToI - 17.9)

AGER (Import & Export) * Bombay * *Sal* Rs.85,000-Rs.1 lakh /*Qlfn* 35 years * Graduate preferably with diploma in import xport management * *Reqd* Adequate expertise in import- rt policy * *Cont* Vice-President (HRD), Indian Organic Chemi- td, New Excelsior Building, Wallace Street, Fort, Bombay 01 (ToI - 17.9)

KS MANAGER * Madras * *Sal* NS * *Age/Qlfn* 45 years * Gradu- ost-graduate chemical engineer * *Reqd* 20 years senior man- al experience in running a petrochemical/chemical plant. ledge of modern electronic instrumentation is essential * Box M 038-S, Times of India, Bombay 400001 (ToI - 17.9)

KETING MANAGER * Bombay/Delhi * *Sal* NS * *Age/Qlfn* years * Electrical/communications engineering graduate * Adequate exposure and experience in marketing of commu- on/computer products to government agencies/private sec- *Cont* Webel Telematik Ltd, AG Towers, 125/1 Park Street, tta 700017 (ToI - 17.9)

RTMENTAL HEAD (Production) * Delhi * *Sal* NS * *Age/Qlfn* ngineer * *Reqd* Over 10 years experience in refrigeration and nditioning industry * *Cont* Noble House, Management & nent Consultants, Post Box 3531, New Delhi 110024 (HT -

RAL MANAGER (Quality Assurance) * NS * *Sal* Attractive * *lfn* Around 45 years * Graduate in mechanical or production ering * *Reqd* At least 15 years experience in large or medium ering industry * *Cont* General Manager (Personnel & HRD), Motor Industries Co Ltd, P.B. No. 3000, Adugodi, Hosur Road, Bangalore 560030 (ToI - 17.9)

- CHIEF (Quality Control) * NS * *Sal* NS * *Age/Qlfn* NS * Graduate in chemical engineering * *Reqd* 10 years experience of which 3 as chief/deputy chief in the quality control function of a polyester staple fibre/filament yarn plant * *Cont* 9048, Personnel Selection
- Division, Montec Consultants P Ltd, Post Box No.33, New Delhi 110019 (ToI - 18.7)

DISTRICT SALES MANAGER * NS * *Sal* Attractive * *Age/Qlfn* NS * MBA * *Reqd* 5 years experience in consumer product industry * *Cont* Tristar Consultants, 616 Maker Chambers V, Nariman Point, Bombay 400021 (ToI - 18.9)

OVERSEAS

- SENIOR PROGRAMMER/ANALYST * Dubai * *Sal* Dhs 6,500 * *Age/Qlfn* NS * NS * *Reqd* Proven analytical and programming skills with at least 5 years experience in commercial applications/including 2 years in a relatively senior position * *Cont* (SPA/ToI), Personnel Manager, DNATA, P.O. Box 1515, Dubai (ToI - 16.9)
- PROGRAM MANAGER (Liquid Chromatography) * Singapore * *Sal* NS * *Age/Qlfn* NS * Post-graduates or PhD in chemistry * *Reqd* Minimum 3 years experience in the area of liquid chromatography * *Cont* The Personnel Manager, Hewlett-Packard India Pvt Ltd, B/8, Jangpura-B, Mathura Road, New Delhi 110014 (ToI - 13.9)
- MARKETING MANAGER * Malaysia * *Sal* NS * *Age/Qlfn* 35-40 years * Rubber technologist with a degree in marketing/exports * *Reqd* 10-15 years experience, a major part in exporting rubber gloves and other hygienic products * *Cont* P.S. Chohan, President, Aims Management Consultants, 42 Veer Nariman Road, Bombay 400023 (H - 15.9)
- PROJECT LEADER * Muscat * *Sal* RO 600 pm * *Age/Qlfn* NS * Graduates * *Reqd* At least 10 years experience in information technology of which at least 3 years in similar capacity in a reputed organisation * *Cont* MS/5580, A.F. Ferguson Associates, P.O. Box 1786, Bombay 400001 (ToI - 16.9)
- BRANCH MANAGER (Consumer Products) * UAE * *Sal* Up to Dh 4,000 pm + benefits * *Age/Qlfn* 28-32 years * NS * *Reqd* 5 years FMCG sales experience in reputed organisation and a successful track record * *Cont* MS/5590, A.F. Ferguson Associates, P.O. Box 1786, Bombay 400001 (ToI - 23.9)



CHIEF EXECUTIVE

VAPI/DAMAN

PVD PLAST MOULD INDUSTRIES LIMITED, a publicly listed company engaged in the processing and marketing of a variety of sophisticated plastic products and belonging to the well-known Bharat Pipes and Fittings Group of Companies, is in need of a Chief Executive. Subject to satisfactory performance he will be offered a seat on the Board.

The Company has a turnover of about Rs. 25 crores and has plans for diversifying and expanding its range of products.

Candidates should be around 40 with general management experience at a senior level and preferably a background in the plastics processing industry.

An attractive remuneration package will be negotiated.

Applications in strict confidence should be sent within a fortnight to:

DR. R. BANERJEE

CONSINDIA
PRIVATE LIMITED

"Anand Ashram", 2nd Floor, 22, Pandita Ramabai Road,
Gamdevi, Bombay 400 007.

LINTAS CIL VAC 54 21

CHIEF EXECUTIVE – CONSUMER GOODS

Our clients are a professionally managed company on the fast growth track, with an established brand name in consumer durables. They have recently entered into a technical agreement with a highly reputed Japanese Company, in order to consolidate and expand their product portfolio.

They need a CHIEF – EXECUTIVE, who will report to the Managing Director, to independently manage their Business. He will be given a free hand to develop and implement strategies and policies for consolidation, business development and profit-generation. He should also effectively develop, guide and motivate their existing team of high calibre professionals to achieve these goals.

Candidates should preferably be engineers with a MBA degree and around 40 years of age. They should have a successful track record of over 15 years, with the last 5 years being at a GM/VP level in an organisation engaged in manufacturing and marketing of consumer goods.

The remuneration package is negotiable and will be comparable with the best in the industry.

Please apply in complete confidence with a detailed bio-data within 10 days of this advertisement to:-

PERSONNEL SEARCH SERVICES

A Division of Lobo Business Services Private Limited.
B.O. 3rd floor, Sambava Chambers, Sir P.M. Road, Bombay-400 001.
Tel: 2862660, 295963, Facsimile 2020790.

Clamar

PRESIDENT

(Financial Services)

(MS/4962)

Delhi **Excellent compensation package**

A professional and progressive group of companies headquartered in Delhi wishes to recruit a President for their new housing finance company. This company is being set up with an equity base of around Rs. 10 crores. Housing finance is closely related to the group's existing areas of activity; and the finance company is expected to become a major player in its field in India.

For the housing finance company the selected candidate would be responsible for development of corporate objectives and policies, evolving strategies to translate these into long and short term plans. He will be responsible for successfully implementing the plans and policies formulated. He would be responsible for growth, profitability and developing an effective organisation for the company.

Candidates should have over 15 years experience in either banking or financial services industry or in financial institutions; and should possess considerable senior management experience in such institutions in India and abroad. They should preferably be Chartered Accountants and/or MBAs. They should have excellent leadership qualities coupled with creative and analytical abilities. A strong systems orientation is required; and experience in a highly computerised environment would be essential.

Preferred age: 40-45 years.

Please apply within 10 days to:

A F Ferguson Associates
Hansalaya
Barakhamba Road
New Delhi 110 001

giving full details of age, qualification, work experience, salary drawn and telephone contact numbers. All applications and envelopes must be marked with the **Ref.: MS number**.

KEC International Ltd., an RPG Enterprise, is the world's second largest power transmission line company. It has an annual turnover of around Rs. 125 crores and has completed projects all over the world. It is poised for significant growth and with its modernisation and technology upgradation plans, it needs to fill up two newly created key positions based at Bombay and reporting to the President of the company.

VICE PRESIDENT – MANUFACTURING

(MS/5581)

The incumbent will have overall responsibility for the manufacturing operations of transmission line towers. He will have to lead manufacturing operations which are located at Bombay and Jaipur, manage a large team of professional managers, and deal firmly yet constructively with industrial relations issues. A high degree of technical expertise and management capability is essential.

The Vice President-Manufacturing should be around 45 years of age and must possess 20 years' experience in the steel/engineering industries.

VICE PRESIDENT – MARKETING

(MS/5582)

The incumbent will be responsible for meeting business targets by the formulation of aggressive strategies to expand market share and profitability, with a special accent on overseas operations. He should have the experience of conducting negotiations at senior levels with public utility organisations and public sector undertakings in India and abroad.

The Vice President-Marketing should preferably be an Engineer of around 45 years of age and must possess 20 years' experience of marketing in the engineering/ power sector.

The selected candidates will be offered a highly attractive compensation package, including housing, and can look forward to tremendous challenges as well as growth opportunities.

Please write in strict confidence, quoting the relevant MS reference numbers to:

A. F. Ferguson Associates
Post Box 1786
Bombay 400 001

ABC's major specialisations include Corporate Consultancy

MARKETING DIRECTOR

High Profile Textile Company

Delhi **Rs 3 Lakhs + Flat + Car + Perks**

We have been retained by a very dynamic, fast expanding and large **Industrial group** to select a top-notch marketing director for them. Sales Turnover is around Rs 300 Crores with excellent **brand image.**

The incumbent will have All India responsibility for the total marketing & selling operations for the entire company. Accent will be on formulating, monitoring & achieving ambitious sales strategies & targets. Our clients are, therefore, looking for **an outstanding consumer marketing professional** with ability to conceive innovative strategies and implement these by guiding & leading a team of senior general marketing managers. Ideal candidate is likely to be an MBA-Marketing from a highly reputed management institute in the age group 40-48 with senior level **functionally diversified consumer marketing experience.** Conceptual skills coupled with solid field marketing experience rather than textile industry background will be main selection criterion for this position. A great deal of travelling is involved.

Please write to **B P Agrawal, Chairman** with detailed bio-data & telephone numbers. All correspondence should be made through courier mail/speed post and the envelope & enclosures marked with job title & code MDT/BPA/3028.

ABC CONSULTANTS PRIVATE LIMITED

43/3, Hazra Road, Calcutta 700 019, Phone 754947

SWOT Analysis ● Systems & Procedure ● Business Negotiations ● Socio Economic Studies ● Computer Feasibility

Data Processing ● Computer Software Packages ● Materials Management

NTPC

National Thermal Power Corporation Ltd.

(A Government of India Enterprise)

NTPC—a premier public sector enterprise in power utility is engaged in construction & operation of chain of Super Thermal and Gas based power stations with vast associated transmission lines spread all over the country.

NTPC has an authorised capital of Rs. 6000 crores with current turn-over of about Rs.2400 crores. The planned outlay for the current financial year is of the order of Rs.2500 crores. To manage the finances of this magnitude, NTPC requires financial professional, of proven competence and capability for appointment as :

EXECUTIVE DIRECTOR/GENERAL MANAGER
(FINANCE & ACCOUNTS)

FOR

CORPORATE OFFICE, NEW DELHI

The post of Executive Director/General Manager is a senior level managerial position. The incumbent will be responsible for development of financial and accounting policies, systems and procedures, formulation of guidelines and preparation of Divisional and Departmental budgets, coordination with Ministry regarding funds and finances, overseeing summation of accounts of units,budgetary and cost control, taxation, dealing with banks and financial institutions, etc. He will be responsible for management of capital issues, negotiation for credit processing, advising in the matter of awarding major contracts, etc. He will also be responsible for effective computerisation in the functional area. He would be required to provide effective leadership to the team of dynamic professionals.

The post of Executive Director carries the pay scale of Rs. 4000-4500/- (under upward revision). The post of General Manager is in the pay scale of Rs. 3500-4000/- (under upward revision). In addition the Company provides an attractive compensation package which includes, besides basic pay, adhoc relief, industrial DA,benefits in terms of leased accommodation, conveyance reimbursement, medical facilities, group insurance, leave travel concession, leave encashment, city compensatory allowance, PF, Gratuity, etc. In addition Executive Directors are eligible for Company car.

QUALIFICATION

The incumbent should be a graduate with Chartered Accountant or Cost Accountant qualification from recognised Institution of India or UK or MBA with specialisation in Finance holding senior level position in the management.

EXPERIENCE

For the post of Executive Director, the candidate should possess 20 years executive experience out of which at least 3 years in the schedule 'C' pay scale of Rs. 3500-4000/- or equivalent.

For the post of General Manager, candidate should have 18 years executive experience out of which at least 5 years should be in schedule 'D' pay scale of Rs. 3000-3700/- or equivalent.

Officers of recognised Finance & Accounts services like IA&AS, ICAS/IDAS/IRS/CSS Gr.-I, holding comparable levels, are also eligible for the post

AGE LIMIT – 50 Years.

GENERAL

Depending upon the suitability the selected candidate may be placed as Executive Director/ General Manager.

Relaxation in age, qualifications and experience may be considered in deserving cases at the discretion of the Management. For SC/ST candidates relaxation in age and experience will be applicable as per Government directives.

The application giving full particulars including qualification, age, experience, present designation etc. may be sent latest by **22.10.90** to **General Manager (P&A),NTPC,NTPC Bhawan, SCOPE Complex, Core-7, 7 Institutional Area, Lodi Road, New Delhi-110 003.**

NAA

PR/039/Rectt/90-91-ED/GM-FIN.

SERVICE INDUSTRY PROFESSIONALS

(SHIPPING, FREIGHT FORWARDING, TRANSPORTATION AND RELATED INDUSTRIES)

Our client is a leading group in the service sector with a turnover exceeding Rs. 70 crores and an all-India network covering 34 locations. The group is engaged primarily in the freight forwarding, consolidation services and transportation business and wishes to recruit the following high profile service industry professionals.

GENERAL MANAGER – IMPORT CONSOLIDATION

(MS/5587)

Bombay **Senior level compensation package.**

This is an All India Corporate position reporting to the Senior Commercial Director.

The primary responsibility of the incumbent would be for co-ordination of the regional sales and operations, direct responsibility for International agency relationships, marketing and financial management of this division.

This position is for the largest import consolidation service in the country.

The candidate should have at least 15-20 years experience in related service sectors.

The preferred age group is around 50 years.

GROUP MANAGER – OUTBOUND FREIGHT SERVICES

(MS/5588)

Bombay **Excellent compensation package**

This is an All India Corporate position. The incumbent would report to Director/ Commercial Director.

The primary responsibility would include co-ordination of regional sales and operations, direct responsibility of the international agency relations, marketing and financial management of the outbound freight services.

The candidate should be a graduate with 15 to 20 years experience in related service sectors.

The preferred age group is around 40 years.

Both the above positions require a mature understanding of international transportation, import/export procedures and the ability to work with diverse international and regional markets.

Kindly apply in strict confidence within 10 days to:

A. F. Ferguson Associates
Post Box No. 1786, Bombay 400 001

giving full details of age, qualifications, experience and salary drawn. All applications should be marked with the relevant MS number.

Quest

SENIOR PROFESSIONALS – STEEL INDUSTRY

A leading Business House of Delhi, having diverse business interests is setting up a 1.5 lakh TPA SPONGE IRON Project near Bilaspur in M.P. The project envisages an outlay of Rs. 150 crores and is being set up in collaboration with a renowned German Company. We have been entrusted to select outstanding professionals for the following positions:

GENERAL MANAGER – PROJECTS (DELHI)

The incumbent will report to the Chief Executive and will be responsible for setting up the project from inception. We are looking for a seasoned steel industry personnel with a sound project management background. A Graduate Mechanical/Metallurgical Engineer with at least 20 years experience in the age group of 45-50 would be ideal.

GENERAL MANAGER – WORKS (BILASPUR)

This is a key position with overall responsibilities for smooth and effective functioning of the unit as a profit centre. The ideal candidate should be a Metallurgical Engineer with 15 to 20 years relevant experience and age around 40-45 years.

DEPUTY GENERAL MANAGERS (5) – (BILASPUR) SPONGE IRON PLANT/ENGINEERING/COMMERCIAL/ UTILITIES/CIVIL CONSTRUCTION

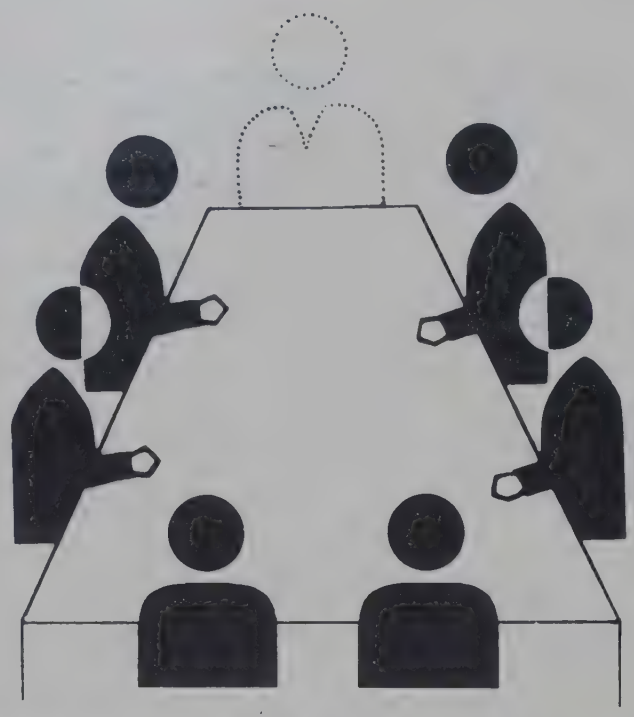
Candidates should have specific experience in any one of the functional areas mentioned above with 15 years relevant experience. All the selected candidates will form the core project management team and finally take over and lead the appropriate functions. Preferred age 35-40 years.

The compensation package would match the best in the industry and will not be a limiting factor. Please apply within 15 days enclosing detailed Curriculum Vitae to:

DEEPAK SINGH

QUEST CONSULTANTS & ENGINEERS PVT. LTD.

307, SKIPPER CORNER, 88 NEHRU PLACE
NEW DELHI-110 019 PHONE: 6465649



MANAGING DIRECTOR

A reputed, large, diversified multi-unit industrial organisation with a high-performance profile in a highly competitive environment requires a MANAGING DIRECTOR.

The assignment is in South India. Responsibilities include directing several profit centres with a total turnover touching Rs.150 Crores in 1991-92.

Ideally, he should be an Engineer/Chartered Accountant with a professional management qualification (MBA) from leading institutes from India or abroad. He should be in late 40's with very sound health and possess the ability to motivate and lead a team of profit centre and corporate managers. He should be a total business manager with a high commitment level. He is expected to formulate and implement corporate plans and strategies addressing the ambitious growth plans of the organisation which involves expansion and further diversification into a new technological era. He should have about 5 years' experience with an excellent track record as Chief Executive of a medium or large-sized organisation.

The organisation is reputed for its professional approach to management and offers job satisfaction besides opportunities for fulfilling one's managerial and entrepreneurial aspirations within the organisation.

The compensation package will be structured to attract the best talents.

Please write in strict confidence — or contact our number — or send us your business card and we will get in touch with you.

The Chairman

Apex Management Consulting Group Private Limited

C-1, Rams Square, No.2, Village Road, MADRAS 600 034.
Tel: 474348.

amcon

RPG ENTERPRISES

Telemecanique

Our client, Risa Automation Systems Pvt. Ltd., is in the business of industrial automation and is planning a long term collaboration with Telemecanique of France to set up manufacturing facilities for a range of their products.

Currently the company markets these Telemecanique products directly and through distributors/ dealers/stockists and encouraged by the market response, plans to double their sales turnover this year. Therefore, they are looking for Sales Managers and a Finance Manager.

SALES MANAGERS

DELHI/CALCUTTA
(MS/5143)

Attractive Salary+ incentives

Sales Managers will be expected to lead a team of Sales Engineers and Product Managers/Engineers in the Northern or Eastern regions. Applicants should be Electrical/ Electronic Engineers from reputed institutions. Experience in similar industries at a branch/regional level is a must. Branch offices are proposed to be opened in major cities in the regions shortly. Growth prospects exist for the successful incumbents to become Regional Managers. Candidates with less but relevant experience should apply for positions of Sales/Product Engineers.

In addition to the salary and normal perks, performance based incentives will also be offered. Preferred age: 30 to 35 years.

FINANCE MANAGER

BANGALORE
(MS/5144)

Attractive Salary + perks

The Finance Manager will be based at the head office in Bangalore and will be responsible for financial accounting, imports, taxation, banking and foreign exchange operations, application for term and working capital loans, project reports etc. The incumbent will need to be a self-starter with ability to implement computerised systems and procedures.

The applicants should be CAs preferably with ACS qualifications. Multinational company experience with exposure to drafting foreign collaboration agreements is desirable.

In addition to an attractive salary and perks, housing will also be considered for deserving candidates.

Preferred age: 32 to 35 years.

Please apply in confidence within 7 days (marked with relevant MS/REF)to:

A.F. Ferguson Associates,115, Dickenson Road, Bangalore 560 042.

We have been retained by a leading international bank to assist in the selection of dynamic and result oriented individuals for several vacancies which have been identified in the Treasury Division in the UAE. As part of its ongoing development of services, the bank intends to expand and strengthen its treasury operations. The positions,which are based in DUBAI,are:

SENIOR CORPORATE DEALER

(MS/5577)

The position reports to the Head of Treasury and the selected candidate will be expected to contribute significantly by expanding the existing customer and product base by the development of new customers and broadening the usage of the bank's treasury products. He will also keep abreast of trends in foreign exchange markets and assist in the development and marketing of new products.

Candidates must have substantial experience in the dealing room and treasury function of a large bank. They must have spent at least 3 years in a similar capacity in the Middle East and should be able to demonstrate a successful track record of business development. The preferred age is around 35 years.

INTERBANK FX DEALER

(MS/5578)

The position reports to the Chief Dealer and the selected candidate will be responsible for monitoring and trading in the major spot currencies. He will be a professional risk taker and will be expected to maximise his contribution to profits.

Candidates will have around 5 years dealing experience and should ideally have been exposed to dealing in Gulf currencies in addition to the major international currencies. The preferred age is between 25 to 30 years.

INTERBANK DEALER
(FORWARD AND MONEY MARKETS)

(MS/5579)

The position reports to the Senior Dealer, Money Market Operations. The job involves the taking and management of interest rate risk. The selected candidate will be required to interact with interbank brokers and other dealers both locally and in the international money centres.

Candidates will have around 5 years experience in the dealing room of a major bank and this experience must have included thorough exposure to money market dealings. The preferred age is between 25 to 30 years.

These are career opportunities and based upon performance, outstanding candidates can look forward to advancement and mobility within the group.

The compensation packages for these positions have been designed to attract the best talent and will not be a limiting factor.

Please apply in strict confidence within 10 days to:

A.F. Ferguson & Co.,
Post Box 1786
Bombay 400 001

giving full details of age, qualifications, experience and salaries drawn along with a recent passport size photograph and contact telephone numbers. All applications and envelopes should be marked with the relevant MS reference number.

PFIMEX is a dynamic, innovative and rapidly growing pharmaceutical company manufacturing and marketing a range of very successful branded formulations.

The company has a sophisticated plant in Hyderabad producing tablets, capsules, powders and liquids.

Essentially **PFIMEX** has identified as its main thrust area - the nutritional vitamin group of drugs, to ensure respectable acceptance of the products. The company has plans for launching atleast 10 new products by 1992, many of them for the first time.

The company has an excellent marketing network - a team of over 180 trained medical representatives reaches out to 36,000 doctors. Keeping in view the above growth plan, the company wishes to appoint
(1) Product Manager
(2) Product Executives.

PFIMEX

PRODUCT MANAGER

PRODUCT EXECUTIVES

PRODUCT MANAGER

The applicant should be an MBA (Marketing) with 5 years experience or a seasoned pharmaceutical professional with 7 years experience in a similar function. Must have thorough exposure to modern pharmaceutical marketing practices and capable of handling new product launches innovatively. High level of awareness of the nutritional and mineral formulations segment is essential. Excellent scope for dynamic innovators who are raring to wrest the challenge of the future.

Age: Around 35 years.

PRODUCT EXECUTIVES

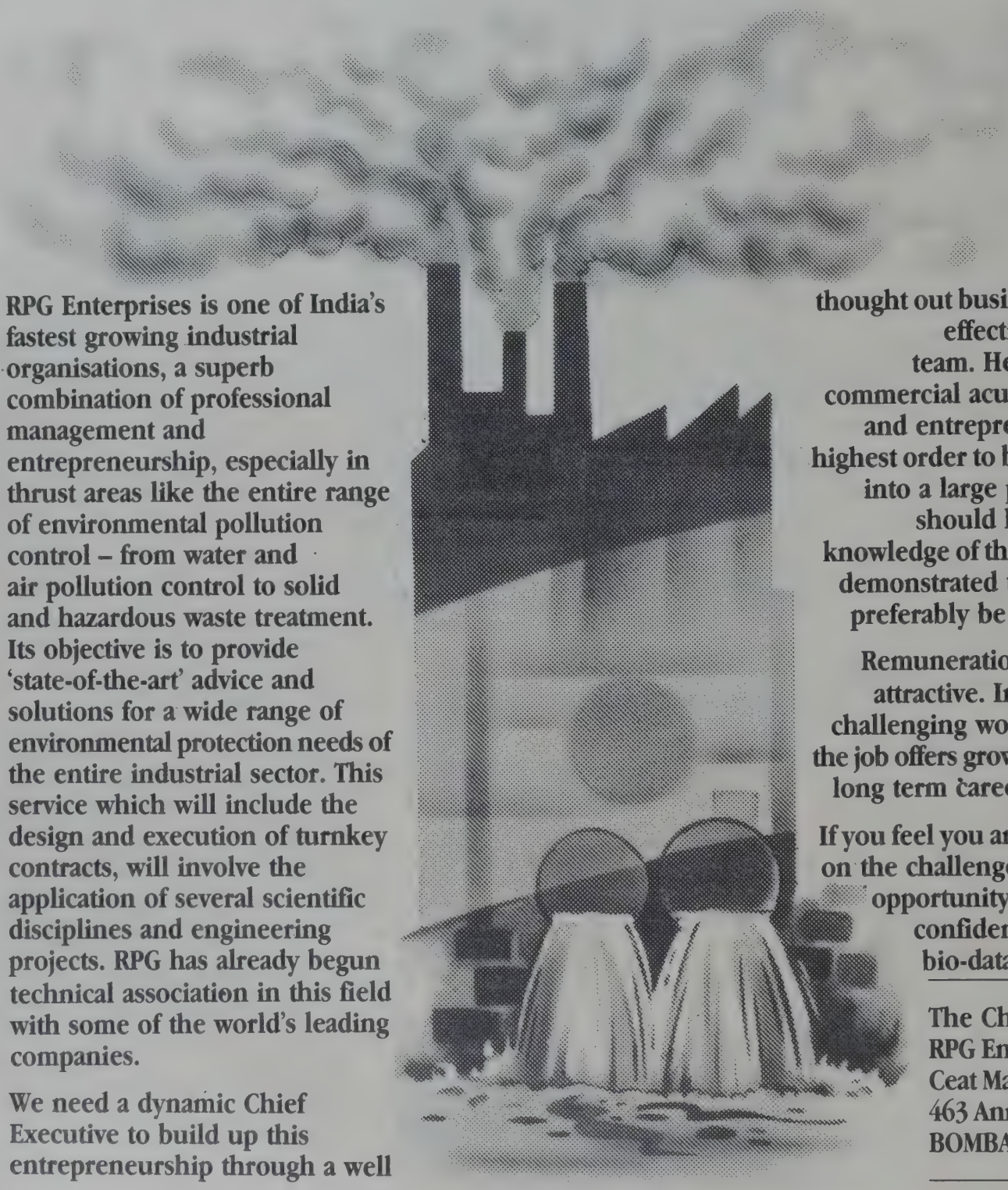
Applicants should be science graduates with 5/7 years experience in pharmaceutical selling particularly in nutritional and mineral formulations area.

Age: Around 30 years.

Apply giving complete particulars within 15 days to:

General Manager (Personnel & Administration)
PFIMEX INTERNATIONAL LTD.
4-1-1240, King Kothi Road, Hyderabad - 500 001.

IF YOU CAN CLEAN UP THIS PICTURE



RPG Enterprises is one of India's fastest growing industrial organisations, a superb combination of professional management and entrepreneurship, especially in thrust areas like the entire range of environmental pollution control – from water and air pollution control to solid and hazardous waste treatment. Its objective is to provide 'state-of-the-art' advice and solutions for a wide range of environmental protection needs of the entire industrial sector. This service which will include the design and execution of turnkey contracts, will involve the application of several scientific disciplines and engineering projects. RPG has already begun technical association in this field with some of the world's leading companies.

We need a dynamic Chief Executive to build up this entrepreneurship through a well thought out business plan and an effective management team. He should possess commercial acumen, leadership and entrepreneurship of the highest order to build this activity into a large profit centre. He should have an intimate knowledge of the industry with a demonstrated track record and preferably be 42-45 years old.

Remuneration will be highly attractive. In addition to the challenging work environment, the job offers growth prospects and long term career opportunities.

If you feel you are capable to take on the challenge of this exciting opportunity, please apply in confidence with detailed bio-data to:

The Chairman
RPG Enterprises Limited
Ceat Mahal
463 Annie Besant Road
BOMBAY 400 025

YOU ARE THE PERSON WE NEED.

RPG ENTERPRISES

F 19

GIVE YOUR ADS. WIDER COVERAGE WITHOUT ADDING TO YOUR MEDIA COST.



NO MAGIC. NO TRICKS.

Sounds like a cliché? It isn't one. Sunday Mail Saptahik aims at the Hindi heartland—Uttar Pradesh, Bihar, Rajasthan, Madhya Pradesh. The Delhi and Calcutta editions cover the entire Hindi Belt. Pick them up and there you are. Right where an awesome market lies. A market of remarkably high disposable incomes . . . a strong purchasing power.

The CPT is surprisingly low, so are the advertising rates. And this from a publication which has experienced a circulation increase of 552% (from 23,000 to 1,50,000 copies) in an incredibly short span of 4 months. And is still growing . . . Truly astounding.

There's more to it than that. Sunday Mail Saptahik has a longer shelf life. Besides the 12 page broadsheet and a 4 page glossy supplement, there is a 32 page colour magazine as well – ensuring longer exposure to your ads.

Sunday Mail Saptahik is more cost effective and has a wider coverage over other leading Hindi publications. Guaranteeing your ads.a distinct advantage. Invariably.



संडे मेल
साप्ताहिक

THE SMS ADVANTAGE.
NOTHING BEATS IT.

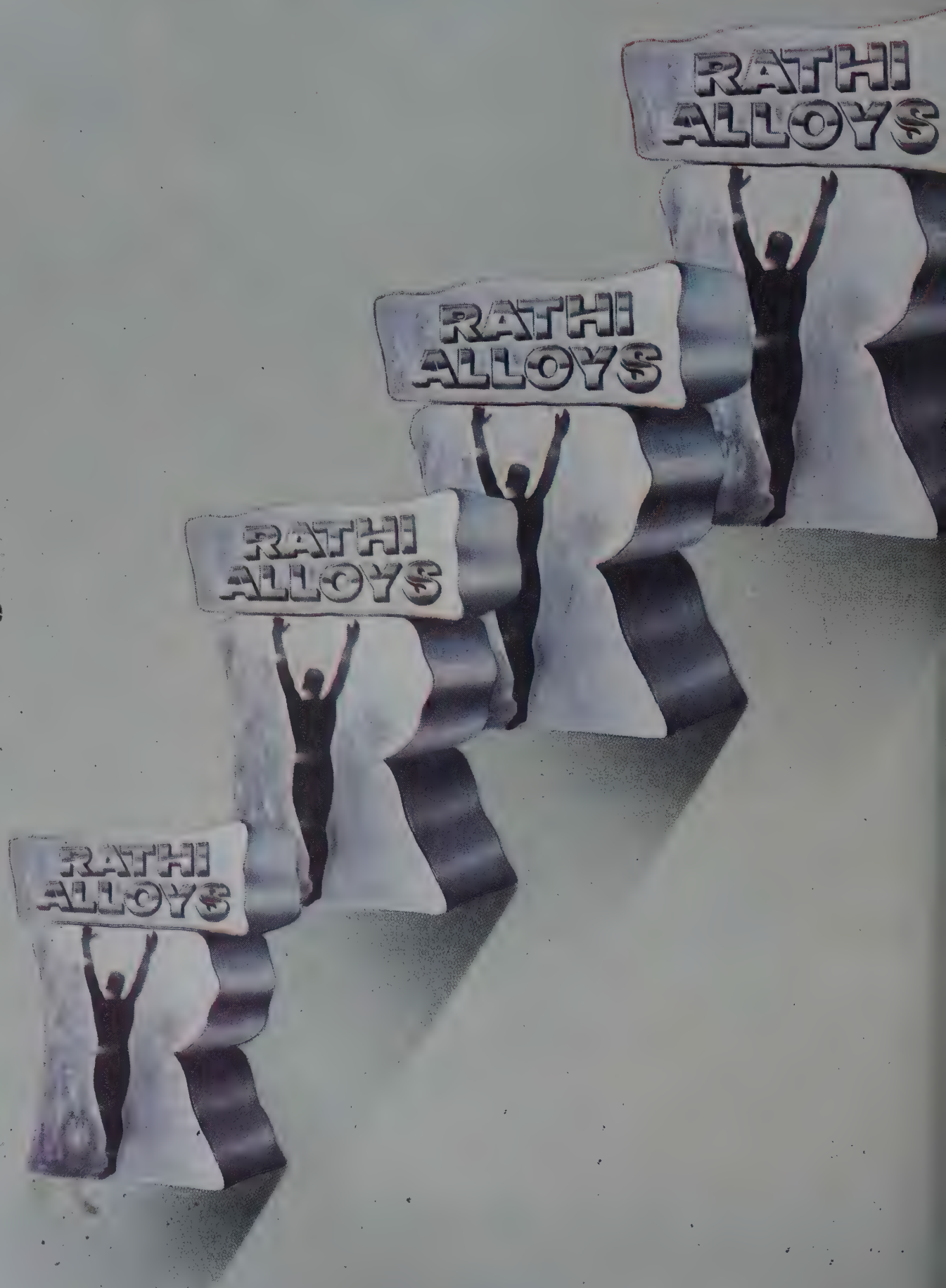
DETAILS CONTACT THE MARKETING DEPARTMENT AT –

I: C-43, NEETI BAGH, NEW DELHI-110049 TEL: 663243, 652916, 652923, FAX: 6862017 TLX: 031-73259 MAIL IN
BAY: IST FLOOR, KUSHESH MANSION, 48/54, JANMABHOOMI MARG, FORT, BOMBAY-400001 TEL 2047938, 233593,225713, FAX 2047111 TLX 011-83391 MAIL IN
UTTA: FLAT NO 5 & 6, CHITRAKOOT BUILDING, IIND FLOOR, 230-A, A J C BOSE ROAD, CALCUTTA-700 020. TEL. 433247, 441017 TLX 021-4918 GHCL IN
AS: 204-C, SHIVALAYA BUILDING, COMMANDER-IN-CHIEF ROAD, MADRAS-600105. TEL: 471091. TLX: 041-6780 MAIL IN FAX: 477886
ALORE: KALPAK ARCADF, CHURCH STREET, BANGALORE-560001. TEL: 578634

GOVAN/SM/1064/4

Of the thousands of reasons w
are just 26 reasons why we ha

A utomobile
B ridge
C ylinder
D rum
E levator
F an
G un
H ouse
I njection
J et
K nife
L ocomotive
M otor
N ail
O ven
P iston
Q uay
R ig
S hip
T rain
U tensil
V an
W atch
X ylophone
Y acht
Z ip



ve're into steel, here grow.

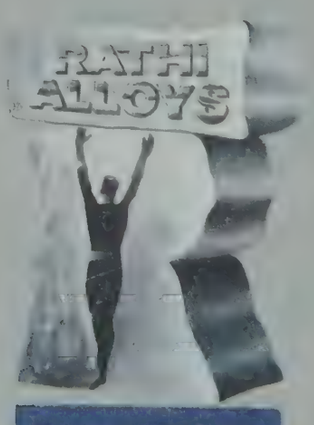
Rising to meet the growing demand of a country that's poised to become a superpower.

From Automobiles to Zips, in Steel one can virtually see the world. And if India is to attain its industrial Super Power Status we need steel makers with leadership qualities. **Like Rathi Alloys.** A Company whose growth has consistently shown a steep climb ever since its inception in 1970. In 1989-90, the Company broke the magical Rs. 100 Crore turnover barrier.



Much of the credit for this achievement goes to its products like **Stainless Steel, Alloy Steel, Wire Rods, Tor Steel and others.** Both domestic & industrial, that command great respect among the Company's clients.

... And today, like the country, **Rathi Alloys** is moving on to greater things... **an expansion plan, to manufacture H.R. Coils in stainless steel, electrical grade and LPG grade, that has you too in mind...**



RATHI ALLOYS & STEEL LTD

Striving To Excel

Sobhagya/198/90

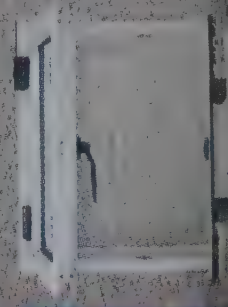
SURRENDER

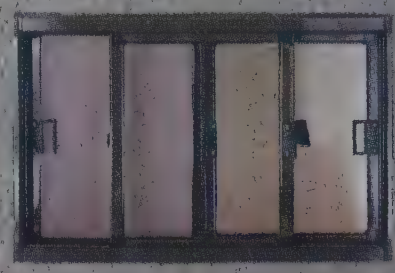


TO THE ARRESTING CHARM OF THE SECCOLOR WINDOW

And discover a wonderfully versatile window system

- Quick and easy installation.
- Absolutely maintenance-free.
- Windows, Partitions, Doors and Railings.







Write for a detailed colour brochu

Windows with hinged shutters, sliding shutters, burglar bars and mosquito netting. Offered in 5 striking colours. All with the happy security of permanence. The special steel is rust-proof for life. The prepainted colours don't require repainting. The precision engineering ensures perfect opening and shutting. The perimetral weather-stripping seals out water, dust and noise. Yes every temptation to ensure that your are window-struck for life.

NCL Seccolor Ltd (In collaboration with Industrie Secco S.p.A. of Italy) Raghava Ratna Towers, Chirag Ali Lane, Hyderabad 500 001. Tel: 240562/241769.

Offices: BOMBAY: Tel: 527940; BANGALORE: Tel: 234858; MADRAS: Tel: 8252642; DELHI: Tel: 654041/616887.

Fabricators: AHMEDABAD: Tel: 445969/409012; BOMBAY: Tel: 595973/500827; BANGALORE: Tel: 568979; COIMBATORE; - NEW DELHI: Tel: 654041; HYDERABAD: Tel: 242590/895543/236882/236878; MADRAS: Tel: 8252642; VIJAYAWADA: Tel: 74410; VISAKHAPATNAM: Tel: 57020/57796; BHUBANESHWAR: Tel: 57367; CALCUTTA: Tel: 755265.

ABC's major specialisations include Corporate Consultancy

JINDAL

Large Industrial Group

Jindal is a diversified Industrial Group having manufacturing units throughout the country in different fields like stainless steel strips/plates, carbon & alloy steels, pipes/tubes, sponge iron, pig iron, ferro alloys, aluminium sheets, paints, engineering & consultancy, etc. We have been retained to select 6 Key Managers for their Flagship Company - **Jindal Strips Limited** to be located at **HISSAR (HARYANA) & RAIGARH (M P).** Current group sales turnover is over **Rs 600 Crores.**

COMPANY SECRETARY

Hissar

The incumbent will report to the Joint Managing Director and will look after all matters pertaining to Secretarial Services, Fixed Deposits, Public Issues, Board Meetings, etc. He should be a qualified Company Secretary and preferably a Law Graduate with 6/8 years experience combining Secretarial & Legal Functions. Age Group 30-35. Code CSSJ/CAL/4034.

2 DY FINANCIAL CONTROLLERS—Hissar & Raigarh
MANAGER-Accounts—Raigarh

Will be responsible for all Finance & Accounts Functions including Management Accounting, Budgetory Control, MIS, Banking, etc. Should be a CA with 6/10 years of relevant experience in **large business houses.** Age Group 30-38. Code DFCJ/CAL/4035.

DIVISIONAL & DEPUTY MANAGERS—P&A

Hissar & Raigarh

For Industrial Relations, Manpower Planning & Training, HRD Functions, General Administration, Liaisoning with Government Authorities, etc. Should be a Post Graduate in Personnel Management with 8/15 years of relevant experience in large reputed companies. The job calls for ability to provide creative inputs to all areas of personnel function so as to maintain congenial environment to attract, retain and motivate human resources. Age Group 30-45. Code MPAJ/CAL/4036.

Excellent housing, schooling and medical facilities are available. Remuneration package will be very handsome. Perquisites will include House/HRA, Car/Conveyance Allowance, Bonus, LTA, Medical, PF, Gratuity, etc. Please write in strict confidence within 10 days to **T Sengupta, Regional Manager** and mark the envelope & enclosures with respective job title & code.

(Personnel Selection Division)

ABC CONSULTANTS PRIVATE LIMITED

6A, Middleton Street, Calcutta 700 071

Organised Cost Reduction • Technology Transfer • Project Reports • Operations Research • Industrial Engineering

Data Processing • Computer Software Packages • Materials Management

The DALMIAS are a diversified industrial conglomerate with interests in tobacco, c products, chemicals, paper, telecom, resorts, advertising and film production; with projected Group turnover for 1992 of Rs. 1000 crores.

One of the Group's constituent companies is on the threshold of a major expansio programme in the PRODUCTION AND MARKETING OF AUDIO VISUAL SOFTWARE institutions, as well as individual consumers.

In consonance with its ambitious growth plans, it is looking for young marketing professionals with the hallmark of excellence and the ability to work in a team environment.

GENERAL MANAGER
CONSUMER BUSINESS GROUP
LOCATION : NEW DELHI

You should be a Science/Engineering graduate with a post graduate qualification in Management and about 15 years of experience in brand marketing out of which at least 5 y should be as a divisional/profit centre head. Experience of successful brand launches & bra management would be desirable.

You would be responsible for the set up and operations of the business group and provi strategic inputs to business. Preferred age 35-40 years.

DEPUTY GENERAL MANAGER
ADVERTISING
LOCATION : NEW DELHI

You should have a post graduate qualification in Management with 12 years of experien media space/time selling or direct selling experience in branded consumer softs/services

An exposure to media planning and top of the line marketing planning is desirable.

Responsibilities include All-India business development, tactical planning and the executio targets. Preferred age 30-35 years.

DY.GENERAL MANAGER – DISTRIBUTIO
LOCATION : NEW DELHI

You should be a graduate with about 12 years of experience in the field of distribution. Y should currently be handling national level distribution of consumer softs or services in y

ent capacity.

ponsibilities include tactical planning and execution of All India distribution targets.
erred age 30-35 years.

SR.PROJECT MANAGERS/ PROJECT MANAGERS

LOCATION : NEW DELHI

should have post graduate qualifications in Management with an experience of more than ars or should be a graduate with 10-15 years of experience in institutional marketing of n at least 2 years should be as Project Incharge. Experience of laisioning with senior onnel in Central/State undertakings, All India Radio and Doordarshan would be desirable.

onsibilities include concept to execution stage monitoring of video software projects.

BRANCH/REGIONAL MARKETING MANAGERS

LOCATION: NEW DELHI, BOMBAY, CALCUTTA, MADRAS, BANGALORE

You should have Post Graduate qualifications in Management with 8-10 years of ience in the field of Distribution or Media (Space) Selling of which at least 2 years should a Branch/Territory Head.

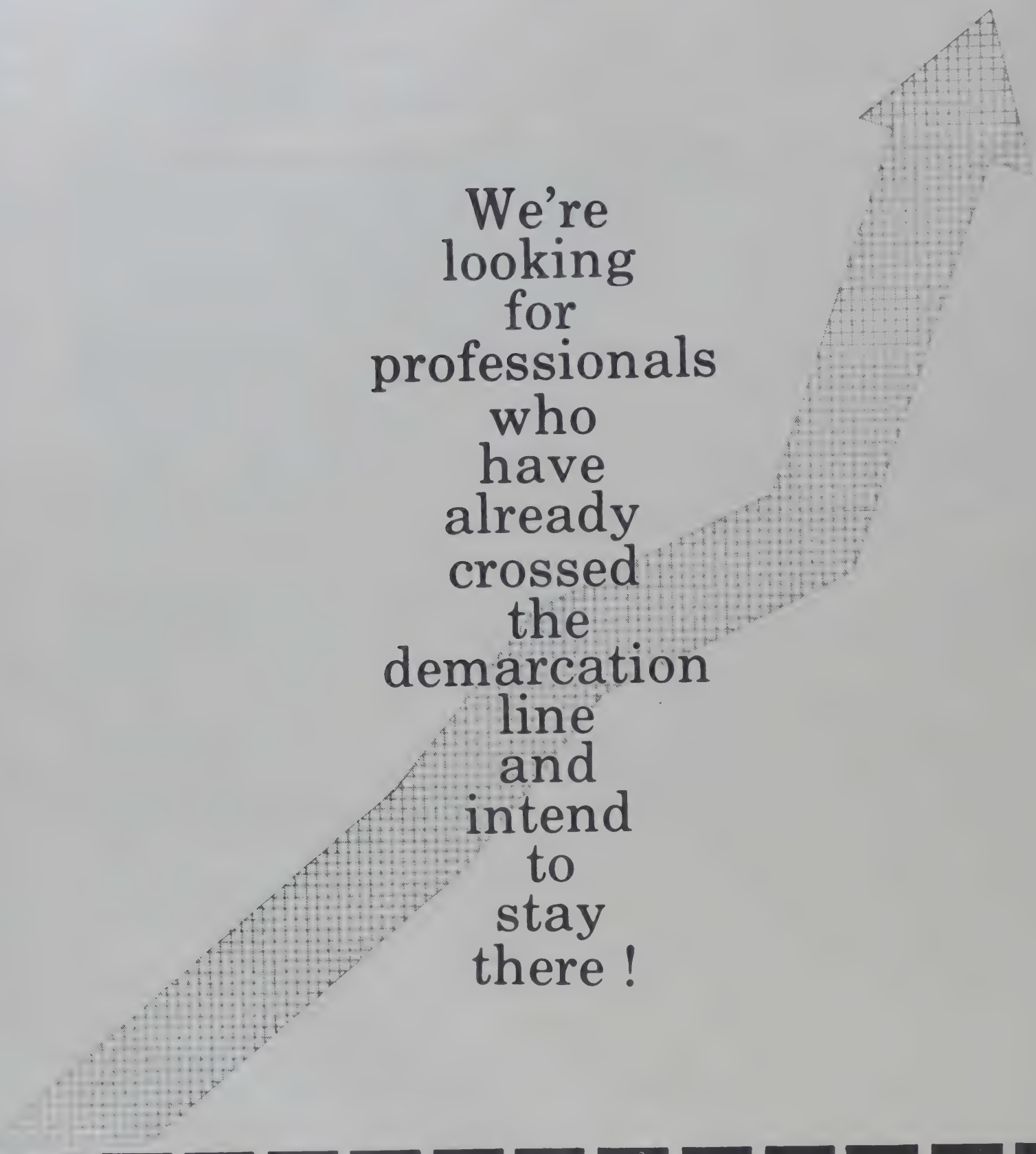
onsibilities include meeting overall operating targets for Branch/Region.
rred age 28-30 years.

Company believes that human resources are its greatest asset and allows professional om at all levels, besides providing excellent career advancement opportunities to high vers. The compensation package is structured to attract the best available professional

e apply in strict confidence within 10 days with detailed résumé (mentioning your contact one number and superscribing the envelope with the position applied for) to:

or – Personnel,
a Bros. Pvt. Ltd.
oor, Devika Towers,
ru Place
elhi-110 019.

GOVAN/2152/90



FINANCE MANAGER: Chartered Accountant with Cost Accountancy, capable of looking after the day to day operations of a large organisation, viz: Accounts, Payment, Control of expenses, Cash flow, with exposure to industrial working system having 8-10 years experience. **ACCOUNTS MANAGER**: Chartered Accountant qualified in Internal Audit capable of assisting the Finance Manager. **WORKS MANAGER**: Diploma in Printing Technology well versed in all aspects of Printing and related processes with around 10 years experience in a large scale and established Printing press. **COMMERCIAL MANAGER**: An extrovert, with a PR background, for liaisoning with various Government and Semi-Government departments and other commercial dealings having 8-10 years experience.

Compensation and perquisites commensurate with qualification and experience.

Send detailed resume in confidence to : Box No. AA/328/PA/1, **Business India,**
59, Regal Building, Connaught Circus, New Delhi-110 001.

TECHNICAL MANAGER

(Software Export Industry)

Delhi

Around Rs. 250,000/- gross per annum

A wholly owned subsidiary of a US Company, well-known in its field, wishes to strengthen its organisation in India by recruiting a Technical Manager. The Indian company which has been in operation for several years develops software entirely for its US parent company. The parent company is the leading developer and marketer of software to automate the design of integrated circuits, circuit boards and systems. It is the second largest supplier of electronic design automation software in the world. It employs worldwide about 1000 employees and has an annual revenue of around 140 million US Dollars. The Indian company has engineering staff of around 33 and is expected to grow very substantially in the near future.

The selected candidate will be responsible for managing the engineering team. He will be required to interact on a regular basis with the technical group in the US. Candidates should have a **MS/M.Tech/Ph.D** degree in electronic engineering or computer science from an Indian or US University. Exposure/experience in electronic CAD would be an advantage, though not necessary. Previous experience of atleast 5 years in managing the development of software is essential. He should be strong in man management.

Salary will not be a limiting factor and is negotiable depending on the qualification and experience of the candidate.

Please apply within 10 days to:

A F Ferguson Associates
Hansalaya
Barakhamba Road
New Delhi 110 001

giving full details of age, qualifications, work experience, salary drawn and telephone contact numbers.
All applications and envelopes must be marked **'Ref. MS/4964'**.

Shilputsi

Shilputsi Consultants have been retained to recruit a

MARKETING MANAGER

for DRAGOCO's joint-venture with CHEMPLAST at Bangalore

Chemplast is a fast growing, diversified, professionally managed group with a turnover along with associate companies of Rs. 300 crores. They have several tie-ups with world leaders in chemicals.

As part of diversification strategy, they have set-up a joint-venture with Dragoco Gerberding and Co., GmbH, West Germany, for the manufacture of speciality aroma chemicals used in the promotion of flavours and fragrances. Dragoco is among the top 5 in the world in this field, with activities spanning over 24 countries. For this exciting high growth venture, they are looking for a Marketing Manager.

The Job: The Marketing Manager will be responsible for domestic marketing and exports. In addition he will have profit responsibility for imports and related trading activities. He will lead a team of highly qualified Sales/Product Managers.

Qualifications: Engineering/Science Graduates with an MBA having a minimum of 8 years sales and marketing experience in aroma chemicals/consumer products, especially personal care products. Candidates with commercial experience in purchase of flavours and fragrances will also be considered. A fierce determination to succeed in a highly competitive environment with creative marketing inputs is a must.

Age: 30 – 35 years.

Remuneration: The company offers an attractive package.

Please apply in strict confidence to:

Ms. Pratibha Sheth
Executive Director,
Shilputsi Consultants,
P.O. Box 9386,
Bombay-400 026.

ABC's major specialisations include Corporate Consultancy • SWOT Analysis • MIS • Operations Research • Industrial Engineering • Software Packages • Project Reports • Data Processing • Materials Management • Organised Cost Reduction •

INDO-US JOINT VENTURE

Carbonated Beverages

Our client, a well established Industrial Group with a successful track record, is diversifying into the field of beverages with American collaboration. The products are considered the best in terms of quality as compared to existing brands in the country. They are on the lookout for high calibre Marketing & Sales professionals for the following positions.

MARKETING MANAGER

Madras

The position is at the corporate office reporting to the VP — Marketing. He will be responsible for all product management functions including market segments identification, market planning, sales promotion & advertising, product launching, MIS, etc. Should be post-graduates in Business Management/Marketing from reputed institutes with 7-8 years proven experience in product management function in mass consumer products. Strong conceptualisation skills essential. Age 30-35. Code: MMB/MDS/35.

2 REGIONAL MANAGERS

Madras/Bombay

These are senior positions reporting to the VP — Marketing. They will be accountable for capturing a sizeable market share in the regions in a short span of time and in achieving consistently high targets. Responsibilities will include selection & monitoring of retail outlets, distribution, sales promotion, close vigilance on product quality & competitors' performance as well as guiding the sales team & franchisees. Should preferably be MBAs with 10-15 years hardcore field selling experience at responsible levels in consumer products. Age: Around 35. Code: RMB/MDS/36.

SALES EXECUTIVES

South & West – Major Cities

Candidates should be Graduates with 3-5 years experience in selling of consumer products in reputed organisations. Initiative, drive and flair for selling essential. Age: 25-28. Code: SEB/MDS/37.

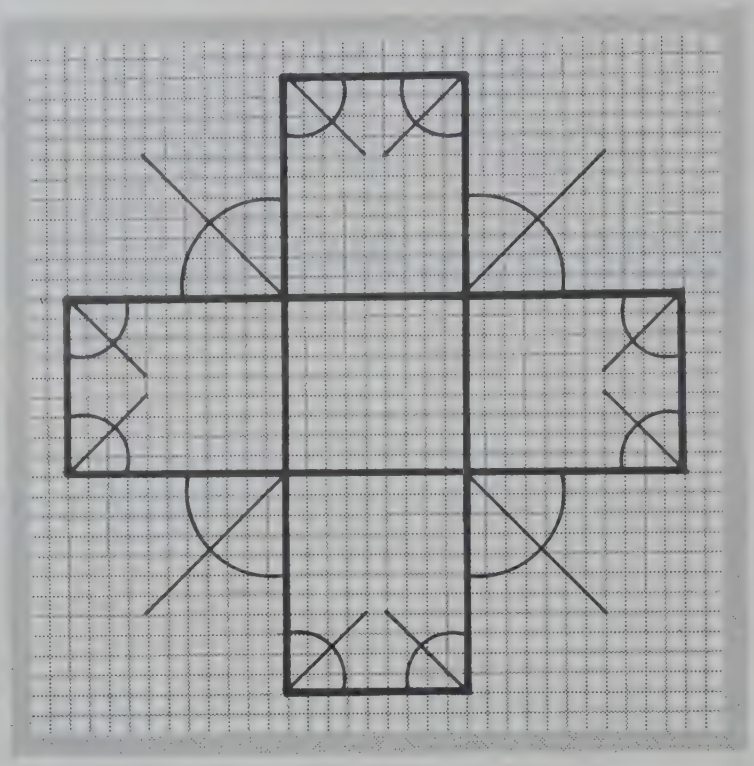
The compensation package will be attractive. Apply within ten days with detailed bio-data marking envelope & application with appropriate job title & code.

Personnel Selection Division

ABC CONSULTANTS PRIVATE LIMITED

4, Khader Nawaz Khan Road, Madras 600 006 Tel. 470778

We are looking for a marketing expert and a civil engineer who always wanted to go into health care.



An Indian industrial powerhouse has joined up with a leading European organisation.
RPG Enterprises is one of the fastest growing organisations in India.
Hospitex is one of the most well known health care organisations in France.
Together, we have formed a new company in India that will specialise in offering hospital project consultancy services and in manufacturing medical electronics equipment.
You could be a part of this extraordinary new venture. We are looking for two men who have the vision and the capabilities to make this a great success.

PROJECT MANAGER
LOCATION: CALCUTTA

Attractive salary with all senior management perquisites.
You will have overall responsibility for setting up of hospitals on a turnkey basis, from conceptualisation to commissioning, with the best European knowhow. You should preferably be a Civil Engineering graduate with about 15 years experience in the execution of large projects of which at least 5 years have been as head of a project team. An intimate knowledge of the health care industry will be an added advantage. You will report to the Chief Executive of the company.

MARKETING MANAGER
LOCATION: CALCUTTA

Attractive salary with all senior management perquisites.
You will have overall responsibility for the marketing division of the joint venture. You would be actively associated in finalising agency agreements with various international companies and will be responsible for achieving sales targets through an all India sales and services network. You will also be responsible for planning of promotional strategies and will report to the Chief Executive of the Company. The ideal candidate should preferably be a Bio-medical/Electronics Engineer with about 10 years of professional experience in the marketing of medical electronics/health care products.

Excellent career opportunities available for the right persons.

Please apply in strict confidence to:
Vice President-Human Resources, RPG Enterprisies Ltd.,
Ceat Mahal, 463 Dr Annie Besant Road, Bombay 400 025.

RPG ENTERPRISES

KELVINATOR
OF INDIA LIMITED
28, NIT, FARIDABAD-121001

wish to make the following senior appointment for their wholly owned subsidiary Company EXPO MACHINERY LIMITED. This is a fast growing Company engaged in the All-India marketing and sale of KELVINATOR Refrigerators and AVANTI Mopeds, with a network of nearly 25 Branches. The Company's current turnover is in excess of Rs. 250 crores, and which is expected to more than double within the next two years. To meet its expansion plans, the Company requires a:

COMMERCIAL MANAGER & SECRETARY

This is a senior management cadre appointment calling for dynamism and a proven past record. Those responding should be Chartered Accountants, and if they have a post-graduate qualification in business management, this would be an added advantage. A minimum of at least 12 years' experience is essential, and of which at least the last 8 years should have been in a managerial position. Experience in a large-size marketing organisation preferably in the consumer durable industry, would be an additional qualification.

The incumbent will report directly to the Chairman, and will be responsible for all finance and accounts functions of the Company. He will also look after the secretarial and legal matters, and as such, should have good commercial acumen.

Please apply in strict confidence giving full details of qualifications, experience, nature of duties performed, salary presently drawn and that expected, to the Secretary.

MX 5222d

Blow Plast Ltd.

We have pioneered and achieved leadership status in each of our 3 business lines; Moulded and Soft Luggage, Toys and Moulded Furniture with a present turnover exceeding Rs.120 crores and an excellent track record of dynamic and sustained growth.

The Company is entering into the market of PLASTIC MOULDED CRATES for Industrial and other end uses. Commercial production is expected to begin in March 1991. The Company aims to achieve leadership status and a turnover of Rs. 20 crores from sales of Crates within 3 years from start up. To meet the challenges of diversification we need:

NATIONAL SALES MANAGER

LOCATION: BOMBAY

The successful candidate would be a Graduate around 35 years, preferably an Engineer, with at least 8 years experience in Industrial Selling. He should currently be at least a Regional Manager in any reputed organisation. MBA qualification, though desirable, is not essential.

The incumbent would be required to lead a team of sales personnel all over the country and be responsible for formulating and executing marketing strategies. The position calls for analytical abilities and leadership qualities of a high order.

The Company offers a stimulating and professional work environment and excellent career opportunities. The compensation package is very attractive and includes a company car and provision for company housing, if required.

Please apply within 10 days giving full bio-data and a passport-size photograph to:

Vice-President – Personnel

Blow Plast Ltd.

Post Box No. 9145, Bombay 400 025

UVIFORT

UVIFORT METALLIZERS LTD, is all set to enter the Flexible Packaging Market in December, targetting Rs20 crores annual turnover in the very first year and Rs 45 crores in the second year. UVIFORT will manufacture and market a complete range of protective and attractive, Flexible Packaging Materials for Snacks, Spices, Beverages, Processed food etc. Also in line are Sun Control Films, Hot Stamping Foil and Holograms—under one roof.

Implemented with the technical co-operation of world leaders like **CERUTTI (COATER/LAMINATOR); GRAVURE PRINTING PRESS; GALILEO (METALLIZER)** and **TITAN (SLITTER)** at WALUJ, Aurangabad, Maharashtra. Aurangabad has all the facilities of school, college, university and professional institutes for engineering and medicine.

UVIFORT is interested in people who are looking for challenging job prospects.

PRODUCTION MANAGER

Should be a Science Graduate or a Polymer/Plastic Technologist with 8-10 years experience in a medium/large scale Flexible Packaging Industry. Knowledge of Production Planning is essential. Chemical Engineers will be preferred. Age 34-36 years. Will be heading the Printing/Metallizing/ Laminating/Finishing Departments. Will also co-ordinate with Quality Assurance, R&D, Engineering and Marketing Divisions. Will be reporting to G.M. (Manufacturing).

HRD MANAGER

MBA in Personnel Management and Industrial Relations preferably with an LL.B degree. Experience of 5-8 years in a manufacturing organisation, preferably at the project stage is essential. Age 28-32 years. Will be reporting to Deputy G.M. (Commercial). Will be responsible for the overall HR functions, identifying training needs, designing and conducting training programmes. Also liaison with Government authorities, manpower planning, recruitment, grievance and conflict resolution, appraisal and personnel policies.

QUALITY ASSURANCE MANAGER

Science graduate with Degree/Diploma in Plastic/Printing Technology with 8-10 years experience in Flexible Packaging Industry. Degree/Diploma in Polymer Technology will be given preference. Age 30-32 years. Will be reporting to G.M. (Manufacturing). Job responsibilities include spot checking, establish and monitor quality norms/ specifications for all finished products, production quality tolerance, close co-ordination with Production and R&D etc.

PURCHASE MANAGER

B. Com with 5—7 years experience in project purchase. Engineer with Diploma in Materials Management will be preferred. Age 30-35 years. Will be reporting to GM (Finance).

Job responsibilities include purchase of construction materials, equipment, utilities, bulk raw materials etc., material cost reduction programmes, indigenisation of imported spares and vendor development.

MANAGER (ENGINEERING)

Graduate in Mechanical/Electrical Engineering with 6-8 years experience in continuous process industry, preferably converting plant, spares planning and inventory control. Diploma in Materials Management will be an added advantage. Age 28-30 years. Will be reporting to G.M. (Engineering).

Job responsibilities include maintenance of plant and utilities, inventory control of special import, development of indigenous spares, energy management programmes etc.

PERSONNEL & ADMINISTRATIVE EXECUTIVE (CALCUTTA)

B. Com Graduate with 4-5 years experience. MBA in Personnel Management with a degree in Law will be an added advantage. Age 26-32 years. Will be reporting to G.M. (Finance).

Job responsibilities include general administration of the Corporate Office, attendance, leave registration, management of contract labour, observance of statutory requirements, disciplinary matters, liaison with local authorities etc.

PRODUCTION PLANNING EXECUTIVE

Science Graduate/MBA with 3-5 years work experience preferably in Flexible Packaging Industry. Age 28-32 years. Will be reporting to G.M. (Manufacturing).

Job responsibilities include co-ordination with Stores, Production, R&D Lab, Marketing and Despatch division.

Remuneration and benefits will match the best in industry.

All positions (except PERSONNEL & ADMINISTRATIVE EXECUTIVE) will be at WALUJ, Aurangabad

Please send your resume within 7 days to:

The Director,
Uvifort Metallizers Limited
Poddar Point, 5th floor
113 Park Street Calcutta—700 016

MANAGERIAL OPENINGS

Bahwan Automotive Centre
MUSCAT

We are the largest Business Group in the Sultanate of Oman representing world-renowned franchises like TOYOTA, FORD, M.A.N., KOMATSU, KUBOTA TRACTORS, YOKOHAMA TYRES, THERMOKING REFRIGERATION UNITS etc.

We employ over 2000 professional manpower. This strength will increase in the coming years as we have ambitious expansion plans for the various divisions of our Automotive Centre. We require following personnel:

MANAGER-PERSONNEL (HRD)

The Job: The person will undertake team building and organisational development by taking the responsibility for growth of our human resources in all its aspects keeping in mind present needs and future requirements. This will cover formulation and implementation of policies with regard to **Manpower Planning, Recruitment, Training & Development, Performance Appraisal, Employee Compensation, Employee Welfare and Promotion.**

The job also requires constant interaction with Government bodies for compliance with statutory rules and regulations prevailing.

Qualification: Post graduate in Personnel Management/MBA with specialisation in Personnel Management/Organisational Behaviour from a reputed institute.

Experience: Must have minimum 10 years of relevant experience of which atleast 5 years should be as the Corporate Head of Personnel/HRD Department in a fast growing and dynamic industry.

Good communication skills and ability to carry along a large professional team consisting of people from different background, cultures, nationality, education etc would be an important asset.

MANAGER-ADMINISTRATION & COMMERCIAL

The Job: The person will be responsible for all administrative and commercial functions such as marine/motor car/ fire and other related insurance matters, including claims management, customs clearance, company fleet maintenance, transportation, distribution, commercial documentation and procedures relating to imports, local purchase, public relation with Government departments, etc.

Qualification: Graduate in any discipline with post graduation in Business Administration from a reputed institute.

Experience: Must have minimum 10 years of relevant experience in most of the above areas, out of which atleast 5 years should be as Departmental Head of Administrative/Commercial functions in a large and reputed company.

Good communication skills combined with excellent administrative capabilities and public relation traits will be important assets.

Common for both positions

Age limit: Maximum 35 years.

Attractive compensation package will be offered to the selected persons.

Benefits include fully furnished family accommodation, conveyance allowance as per rules of the company, air ticket Bombay/Delhi-Muscat for joining duty and Muscat-Bombay/Delhi-Muscat on leave. Company passage will also be given to family members for same sectors as per eligibility norms. Free medical attention, paid leave, gratuity etc are also admissible.

Applicants willing to join us from a long term perspective may respond within a week enclosing career profile and copies of supporting credentials, 3 recent passport size photographs and passport particulars to:

The Senior Manager (Personnel)
Bahwan Automotive Centre
P O Box 168, Muscat
Sultanate of Oman

superscribing the envelope with the reference of the position applied for.

Interviews will be held in Bombay, Delhi, Calcutta, Madras and Bangalore. Please indicate your preference in the application.

WHY START OFF AS A COG IN A WHEEL WHEN YOU CAN BE THE AXLE?



IF YOU HAVE A DRIVING AMBITION TO SUCCEED, BE A PRIME MOVER AT COMPUTER GARAGE.

You've just finished your education, or recently started working. And you have the potential to make it big.

You are a graduate – MBA with 2 years experience or an Engineer preferably in electronics, with 2 years experience. Or a fresh MBA-Engineer. Who is raring to go places.

You shouldn't have to wait for years before you enter the senior management cadre in any organisation. The answer is to roll on to the fast track. To join a company that's growing at a blistering pace in a field that is known for extreme growth. Computers. Computer maintenance to be specific.

Computer Garage and You. You would join us as a Trainee Manager and you will be put through a gruelling 18 month training programme. During which you will handle specific assignments independently in Service Engineering, Marketing and other functional areas. And on successful completion, you will directly enter the managerial cadre with a substantial raise.

Computer Garage gives you a headstart. At Computer Garage, you'll realise your full potential faster because we're growing faster.

Computer Garage, promoted by TDICI is 2 years old and is already a name to reckon with in computer maintenance. We maintain a 1000 machines in B'angalore alone, for several blue-chip companies.

Our expansion into Bombay, Madras and other cities has provided opportunities for the young and ambitious set.

There comes a time in some men's lives when they have to decide whether to be cogs in a wheel or prove themselves early in life. If you feel this is such a time, join us and set the pace.

Send us your resume within 10 days, with a 150 word write up on "Why I think I can be the Prime Mover at Computer Garage" to:

COMPUTER GARAGE PVT. LTD
19 2 Ulsoor Cross Road
Ulsoor, Bangalore - 560 008
Ph 562764, 574933, 574576

computer garage pvt. ltd.

Dattaram-CG-9/90

CAREER OPPORTUNITIES WITH ATUL

ATUL is one of the largest chemical complexes of its kind in Asia. The Complex manufactures agrochemicals, commodity and fine chemicals, dyes, intermediates, pharmaceuticals, resins etc. In 1989-90 the sales of the Complex was about Rs. 400 crores.

ATUL is located in Valsad District of Gujarat, about 200 kms north of Bombay and about 10 kms from the beach of Tithal. The Complex is spread over 1500 acres of land and has excellent infrastructure for industry and modern living. Spacious houses with gardens, clean air and water, subsidised electricity, choice of good English medium schools, recreation facilities like badminton, CCTV, cricket, table tennis, etc. are all available at the Complex. This Complex, a unique place in India, is free from the hassels of city life, and at the same time, Bombay is less than 3 hours away by car/train. This uniqueness has attracted talents from all over the country, especially those who want to be away from the crowded and polluted cities.

ATUL PRODUCTS LIMITED, the parent company of the Complex, is looking for well educated/experienced people for its head quarters at Atul.

COMPANY LAW :

Position : Company Secretary
Job : All matters relating to Company Law, Estate, Insurance etc.
Education : CS, LLB/LLM (CS examination should have been cleared in the first attempt)
Experience : At least 5 years of which 2/3 years as Assistant Company Secretary in a reputed company listed on Stock Exchange.
Age : Around 27 years
Reporting : General Manager (Finance)

MARKETING :

Position : Officer, Marketing
Job : Marketing of Dye-Intermediates
Education : B Sc/BE, MBA
Experience : Not required
Age : Around 23 years
Reporting : Manager, Marketing, Dye-Intermediates

PERSONNEL :

Position : Manager, IR and Legal
Job : IR and Legal matters of Personnel Department
Education : Post Graduate in Personnel Management, LLB/LLM
Experience : At least 5 years in IR and Labour Laws
Age : Around 35 years
Reporting : General Manager (Personnel)

MANUFACTURING :

Position : Chemical Engineer
Job : Basic Engineering, Detail Engineering, Process Improvements, Mechanisation etc.
Education : BE/ME in Chemical Engineering
Experience : 1 to 5 years
Age : Around 25 years
Reporting : Manager, (Chemical Engineering Group)

MARKETING :

Position : Officer, Marketing
Job : Marketing of Dyes
Education : B Sc/BE, MBA
Experience : Not required.
Age : Around 23 years
Reporting : Manager, Marketing, Dyes

PERSONNEL :

Position : Senior Manager, HRD
Job : HRD, Appraisals, Career Planning, Training, Recruitment etc.
Education : Post Graduate in Personnel Management
Experience : At least 10 years in HRD in a company where Appraisals, Career Planning, Training etc. are given importance
Age : Around 35 years
Reporting : General Manager (Personnel)

MANUFACTURING :

Position : Industrial Engineer
Job : Distribution Systems, Logistics, Materials Handling, Mechanisation, Methods Improvements, Productivity Analysis, and Improvement
Education : BE/ME in Industrial Engineering
Experience : At least 5 years in a large chemical company
Age : Around 27 years
Reporting : General Manager (Manufacturing)

MARKETING :

Position : Officer, Marketing
Job : Export Marketing
Education : B Sc/BE, MBA, IFTI
Experience : Not required
Age : Around 23 years
Reporting : Manager, Export Marketing

PROJECTS :

Position : Electrical/Mechanical Engineer
Job : Erection/Commissioning of Projects
Education : BE/ME in Electrical/ Mechanical Engineering.
Experience : 2/3 years
Age : Around 25 years
Reporting : Manager - Projects

If you are having bright and desired education background, the necessary experience (wherever required) and the will to work hard, please apply within 10 days to :

General Manager (Personnel)

ATUL PRODUCTS LIMITED

Atul 396 020, Gujarat.

The salary, allowances and perquisites offered are excellent.

Indian Telephone Industries Limited

(A Government of India Undertaking)

Regd. & Corporate Office: 45/1 Magrath Road, Bangalore-560 025.

Requires

ELECTRONICS PROFESSIONALS
for its Mankapur Unit

ITI-multi unit, multi-discipline Rs. 1000 crores turn-over company is looking for Electronics professionals for working and building a career in highly sophisticated, high technology Digital Switching equipment manufacturing Unit, situated at **Mankapur with Rs. 400 crores turn-over (on the broad gauge between Lucknow and Gorakhpur) with complete modern facilities. For building up career in latest technology factory in the country and modern amenities with housing, school and other infrastructure facilities.**

SENIOR MANAGEMENT EXECUTIVES AND MIDDLE MANAGEMENT EXECUTIVES

1. ENGINEERING AND CUSTOMER SUPPORT
2. QUALITY MANAGEMENT
3. PRODUCTION MANAGEMENT
4. TRAINING (ELECTRONICS AND TELECOMMUNICATIONS)
5. RESEARCH AND DEVELOPMENT
6. COMPUTER HARDWARE & SOFTWARE
7. FINANCE AND ACCOUNTING
8. PERSONNEL AND INDUSTRIAL RELATIONS

Pay-scale:

As per BPE norms (under revision).

Candidates will be placed in suitable grade/scale by the interview board. Advance increments and other facilities will be considered for deserving candidates.

Selected candidates of other Public Sector/Govt. Organisations will be permitted to retain lien and may also be permitted to come on deputation.

Qualifications:

For Sl. No. 1 to 6: Graduate in Telecommunications/Electronics/Electrical/Production Management and other allied subjects.

For Sl. No. 7: CA/ICWA and equivalent qualifications.

For Sl. No. 8: MSW or Equivalent. Law degree will be additional qualification.

Candidates with higher qualifications will be preferred.

Experience:

Minimum 5 years (For Middle Management)/10 years (For Senior Management) in the related areas at relevant levels. For R&D area, even lower experience will be considered on merit basis.

Reservations for SC/ST as per rules.

Candidates called for interview will be paid as per Company's rules.

Apply in confidence with detailed biodata within 15 days to:

The Additional General Manager (P&A)
Indian Telephone Industries Limited
ESS Project, Mankapur Unit
P.O. Mankapur 271 302
Dist. Gonda; UTTAR PRADESH.

REF: CPA/HRP/5/90
Date: 27-8-1990

Our client is a market leader in electrical and home appliances, and has an enviable image and market share for all their products.

Now, the Company is poised for a massive growth and diversification venture – to manufacture Refrigerators, Dish Washers and Programmable Washing Machines. The technology tie-up is with a giant European company.

We are looking at professionals who are presently HIGH PERFORMERS and would like to take up additional responsibility and an extraordinarily rewarding career.

DEPARTMENTAL HEADS

DESIGN & DEVELOPMENT • QUALITY ASSURANCE • PRODUCTION

Engineers with over 8 - 10 years experience in the Refrigeration & Air Conditioning Industry. The Departmental Heads would have absolute autonomy in technical and management issues. The new project provides an opportunity to imbibe advanced state-of-the-art technology.

FUNCTIONAL HEADS

MARKETING • PERSONNEL • MATERIALS • INDUSTRIAL ENGINEERING

For the above four functional areas we need specialists with over 10 years of high calibre experience in the home appliances, electronics or light engineering industry.

The incumbents will be involved in evolving the department from scratch and build a team of thoroughbred professionals who will maximise their outputs towards achieving ambitious organisational goals.

All the above positions will be based on the outskirts of Delhi.

Candidates with lesser years of relevant experience in all the above functions are welcome to apply for junior positions. The fitment will be depending upon the calibre and number of years put in, achieving professional excellence.

The compensation package and incentives are designed to attract the best available talent in the country.

Apply within 7 days to:

Noble House
MANAGEMENT AND PLACEMENT CONSULTANTS
POST BOX 3531, NEW DELHI - 110 024.

RADIANT/D/NH/

MANAGER — EXPORTS

MADRAS Rs. 1,00,000 + Perks

A well established All India Organisation with offices in the major cities, currently having a sales turnover of Rs. 50 Crores and awaiting Export House recognition is looking for an outstanding professional with relevant experience to promote their export activities (granites/granite products/leather). He should help build MERCHANT EXPORTS and the Export House.

Applicants for this important position should have brilliant academic background and degree/diploma in Business Management/Foreign Trade from reputed institutions in India or abroad. They should have atleast 5 years experience in exports, preferably in a well established Export House. Candidates should have good knowledge of export markets, major customers for the above products including internal servicing, export procedures, import regulations prevealing in the importing countries and export documentation. Preference will be given to candidates with export experience to U.S.A. and Europe. Candidates should be in their Thirtees.

In addition to a good salary, the company will offer attractive perquisites and a conducive environment for professional growth and development.

Please apply within the next 10 days with a detailed bio-data and a copy of your recent photograph to:

BRC Besant Raj Consultants (P) Ltd.,
112, St. Mary's Road,
MADRAS — 600 018.
Phone: 455399/458653
Grams: BEEORCEE Telex: 041-6778 BRC-IN

Our clients are a multi-product group with established brand name in consumer durables. As a measure of growth plan, they propose to stretch their operations in the financial services sector. Immediate opportunity exists for

FINANCE MANAGER

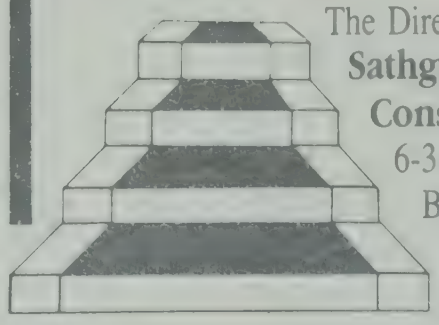
(Gross emoluments : Rs. 75,000)

The incumbent will be incharge of accounting for H.P. and lease transactions, taxation, MIS, evaluation of H.P. and lease proposals and operation of working capital funds.

Ideally, he should be a C.A./C.S. with atleast 5 to 8 years of exposure to H.P. and lease operations at senior level. Exposure to EDP is essential.

Remuneration will not be a constraint for the right candidate.

Please apply within 10 days to



The Director
Sathguru Management Consultants Pvt. Ltd.,
6-3-354/B, Road No. 1,
Banjara Hills
Hyderabad - 500 034.

MARKETING MANAGER

HOUSEHOLD APPLIANCES

Our clients who are engaged in the manufacture and marketing of TVs, VCRs, Music Systems and Household Appliances, with a Group turnover exceeding Rs. 250 crores, are looking for a Marketing Manager for their Household Appliances Division located at BOMBAY.

The job involves developing product concepts, pricing, distribution channels, dealer network, advertising and sales promotion. He will have to provide excellent support to sales, develop and maintain a productive relationship with manufacturing, R & D, finance and other staff functions within the Company.

The incumbent should be a Graduate with a Degree/Diploma in Business Management. Must have held a senior position in sales and possess at least 6/7 years' experience in handling distribution of consumer durables preferably appliances, through a network of distributors and dealers, with emphasis on sales promotion and trade incentive schemes. This is an all-India job and the candidate should be well-versed with various territories. Age 35/40 years.

This is a senior position and the compensation package will be up to industry standards, and negotiable to meet individual experience and competence.

Please mail bio-data with complete details of present employment, to:

KALRA & ASSOCIATES
902 Dalamal Towers,
Nariman Point,
BOMBAY 400 021.

BAFERRO

BARODA FERRO ALLOY AND INDUSTRIES LIMITE

Baroda Ferro Alloys & Industries Limited, a renowned Public Company, manufacturing various types of ferro alloys, is now in the process of promoting a new Company which will undertake manufacture of activat carbons. The project is envisaged to be taken up and implemented in the backward area of Savli, District Panchmahals, which is very near to Baroda City. The capacity of the plant is estimated to be 6000 metric tonnes per annum.

The Company is looking for suitable technical person the following disciplines, to devise, design and impler the project within the shortest possible time.

1. PROJECT MANAGER :

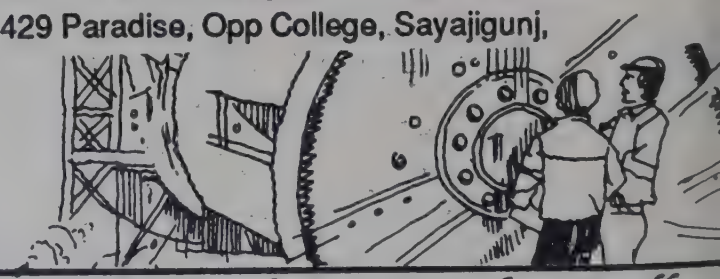
The incumbent should be capable of preparing exhaustive project report in consultation with the finar experts and convincing the Institutions and Banks on viability, feasibility and profitability of the project. He r have worked in a similar project in a responsible posi for at least 4/5 years. He should possess a Degree ir Chemical Engineering. On completion of the implementation of the project, the incumbent will be posted at our site as Works Manager, to look after th production and other day-to-day activities of the plan

2. MARKETING MANAGER :

The Company is looking for a dynamic and mobile person who can explore the expanding market of activated carbon and establish the products of the Company within no time in all consumable industries should be a Science graduate preferably with Maste degree in Business Administration. Preferred age gr will be between 35 and 45 years.

Salary for both the above positions will not be a constraint for the right and deserving candidates. Ple apply immediately but not later than ten days , with recent passport size photograph and full details of qualification, experience, etc. to :

The Manager - Administration
Baroda Ferro Alloys & Industries Limited
429 Paradise, Opp College, Sayajigunj,



Pursuing the passion for excellen

VANTED

Sales Manager

Location: Udaipur

esticides India Limited is now more than 7 years in pesticides manufacturing and is mongst the first 10 in India. It belongs to a ell diversified group. Company sales are anaged by five zonal offices and 19 ranches, and a wide network of dealers roughout India. It employs more than 175 eld staff.

he Company is making major investments the pesticides business, and as a part of s growth and organisational changes ishes to appoint a Sales Manager.

ob Responsibility: Sales and business an preparation, distribution and logistics, anagement coordination and supervision field staff and branch offices.

ualifications: Ideally, the candidate must e in his 40's with hands-on experience in a esticides company in a similar assignment. ctual field work in selling pesticides would e an added qualification. An impeccable areer record with commitment to right alues are essential.

he incumbent will be joining a team of ghly dedicated and involved managers, ost of whom have grown with the ompany.

his is a senior position and offers excellent rowth prospects and a congenial and njoyable work atmosphere. Besides salary grade, VDA, LTA, Superannuation, PF, ratuity, HRA facilities are offered:

lease apply within 10 days giving detailed io-data to:

ESTICIDES INDIA LTD.

ost Box 20, Udaisagar Road
daipur 313 001 (Rajasthan) FA/PIL/754/90

Vam Organic Chemicals Ltd

VAM ORGANIC CHEMICALS LIMITED is a growth oriented company manufacturing a wide range of *SPECIALITY CHEMICALS.* It also markets adhesives under the *VAMICOL* brand name. The company has plans to diversify into a number of product in *SPECIALITY* and *PETROCHEMICAL* areas. The company requires two young, dynamic professionals to work with the Managing Director and Director.

EXECUTIVE ASSISTANTS

The applicants should be Engineer-cum-MBAs (preferably Chemical Engineers) from reputed institutions with 3-5 years of experience in marketing/finance or in a management consultancy organisation.

The selected candidates would be required to collect and analyse relevant information, prepare various reports and also recommend alternative courses of action. They must possess good analytical skills, ability to conceptualise and a result oriented approach to problem solving. As they would be required to interact with members of the top management team they should possess sound inter personal skills.

The company offers excellent growth opportunities with attractive salary and liberal perquisites. Interested candidates should apply within 10 days, superscribing the envelope with the position applied for to :

Sr. Manager (Corporate Personnel)
Vam HRD Centre, 2, Western Avenue,
Maharani Bagh, New Delhi-110065.

INTERFACE 6866 A

VICE PRESIDENT – OPERATIONS

Madras **(MS/4389)** **Excellent compensation**

A well known light engineering company, which is part of an industrial group wishes to recruit an outstanding engineering professional to head its operations. The incumbent reporting to the Chief Executive will be responsible for planning, production, quality control, plant maintenance, industrial relations, materials management, MIS and projects.

Candidates should be Mechanical/Production Engineering graduates with about 15-20 years experience in light engineering industry. The incumbent should have experience in handling modern machine tools and exposure to modern manufacturing systems and plant maintenance. He should have exposure to modern concepts such as JIT, Quality Circles, CAD, CAM etc. Candidates should also have exposure to project planning, selection and procurement of equipment and commissioning. Familiarity with computers will be an added advantage. Preferred age around 40-45 years. Growth prospects are excellent.

Salary would be attractive and perquisites would include housing, car, LTA, medical and retirement benefits.

Applications, which will be treated in strict confidence, should be sent within 10 days to:

A.F. Ferguson Associates
Post Bag No. 1261
Madras 600 034

giving full details of age, qualifications, major achievements, salaries drawn and expected. All applications should be marked with "Ref: MS/4389"

VICE PRESIDENT

Leasing & Financial Services
(attractive profit sharing offered)

Growth Leasings & Finance Ltd. is a listed, profit making Company and is a part of the Core Group of Companies having interests in Pharmaceuticals, Leasing & Finance, Computers & Consultancy. The Group Companies include Core Parenterals Limited and Core Laboratories & Enterprises Limited, both of them being profit making Companies listed on the Stock Exchanges in India. It is a fast growing Group targeting towards an annual turnover of Rs. 100 crores very shortly.

GLFL is involved in leasing and hire purchase operations. It is now planning of expanding the leasing & hire purchase operations substantially and also adding on other related activities in the areas of merchant banking, financial services, bills discounting, etc. The person selected would be responsible for business promotion, management of the Company's operations, funds mobilisation and providing effective leadership for expansion and diversification of the Company's operations and achieving growth & profitability objectives.

Management graduate with finance background/C.A., age 30-40 years, having similar experience in the area of investment & financial services, possessing effective managerial & leadership qualities and a proven track record would be most suited.

Interested persons may send in their letter of interest with detailed information & passport size photograph to :

Managing Director
GROWTH LEASINGS & FINANCE LTD.
4th Floor, Narayan Chambers, Ashram Road, Ahmedabad-380 009.

WANTED

FOR VANASPATI UNIT

A leading Vanaspati Unit with 60 T.P.D. Capacity, situated in Rajasthan is looking for following dynamic personnel to head the production and maintenance functions.

WORKS MANAGER

Vanaspati Unit

The incumbent should be ideally an Oil Technologist with 10-12 years relevant experience of which atleast 5 years should be at the level of **Production head** preferably in Vanaspati Unit. The candidate must be capable of leading and motivating a highly skilled technical team in the plant and also able to help the company in maintaining harmonious industrial relations. The advertiser is looking for a highly result oriented professional. Preferred age below 45 years.

PRODUCTION MANAGER

For 200 T.P.D. Capacity (forthcoming unit) Mustard based solvent extraction by continuous process. Oil technologist with min. 10-15 yrs. experience result oriented professional.

Remuneration : Remuneration will be no bar to the deserving candidate. Please apply in strict confidence within 15 days with full particulars & recent photograph to

Box No. AA/328/AA/2, **Business India**, 59 Regal Building, Connaught Circus, New Delhi 110 001.

Mercuri International

CONSULTANT TRAINER

BANGALORE/ MADRAS

The India office of Mercuri International, the World Leaders in Sales Training and Management Development is looking for a Consultant Trainer as part of its growth plans.

The Company specialises in conducting a wide range of development programmes for the Frontline Selling, Sales Leaders and Senior Management in Sales.

The 3½ year old Indian operation, started by Professionals, has created a niché for high standards of excellence in Training and Development. We are committed to growth well into the 1990's and beyond.

The Consultant will be responsible for Selling and conducting Training Programmes. He will be required to follow up with customers constantly for long term development and translating training into efforts and results.

The person, in his 30's, must have demonstrated success in direct selling, excellent communication skills, a long term perspective and keen aptitude in taking up Training and Development as a career. Engineers and/or MBA's preferred.

After adequate induction into Mercuri Approach and Philosophy, the person will form part of the core team that will plan and implement the growth of Mercuri India. Emoluments will be commensurate with competence. Send your detailed personal profile alongwith a recent photograph within 15 days to:

The Director and Chief Executive
Mercuri Goldmann (India) Pvt. Ltd.
285, 1st Cross, Cambridge Layout
Ulsoor, Bangalore 560 008
Tel: 560192.

A UNIQUE BUSINESS OPPORTUNITY

Do you want to be a TATA UNISYS dealer?

TATA UNISYS INVITES SOFTWARE HOUSES, HARDWARE MANUFACTURERS, OEMs AND SYSTEM INTEGRATOR TO BECOME A PROFITABLE TATA UNISYS VALUE ADDED BUSINESS PARTNER FOR THE U6000 SERIES



As a business partner with us, you could carve out a profitable niche for yourself in the rapidly growing UNIX market place.

Talk to Damanjit Singh on phone-6444457 or mail this coupon to him today at Tata Unisys Ltd., Creative 10, Masjid Moth Commercial Complex, New Delhi-110048

I want to become a Value Added Business Partner wi
Tata Unisys Limited.
Please send me the details.

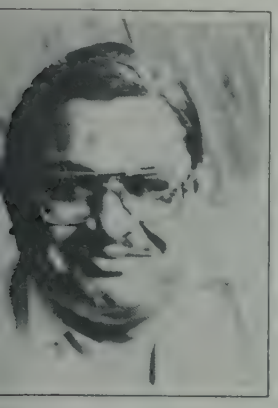
Name _____

Designation _____

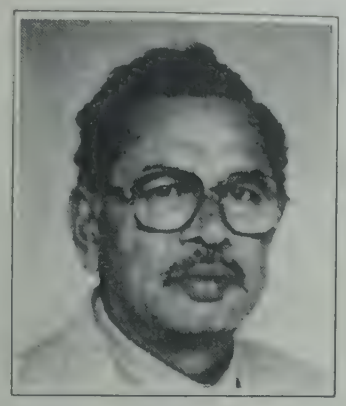
Company's Address _____

_____

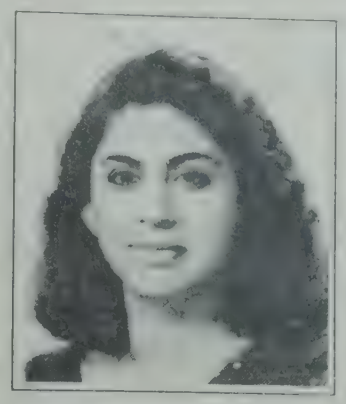
ANUBHUTI/TUL/90



Rajyaguru has been
inted chairman and
aging director of
da Ferro Alloys &
stries Ltd.



Maurice D'Souza has taken over as managing director of Can Fin Homes Ltd.



Jyoti Singh has joined Oberoi Hotels as regional director, sales & marketing, Northern India.



N.K. Kagliwal has been appointed director of Indo Count Industries Ltd.

G.Venugopal has taken over as director, projects, of Mecon.

S.R. Khastgir has been appointed executive director, commercial, of Hindustan Copper Ltd.

Prakash Trilokekar has taken over as director, operations,of Thomas Cook (India) Ltd.

G.M. Badkar has been appointed general manager, corporate finance, of Hindustan Petroleum Corporation Ltd. **J.P.Dalal** has been appointed general manager, internal audit.

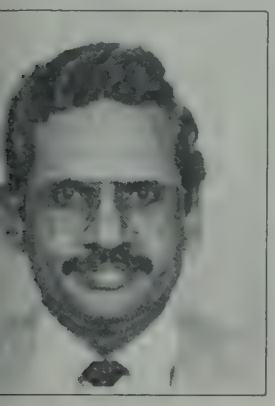
S. Ramesh Kumar has been appointed group head, money markets and customer securities unit, of Citibank.

S. Yamamoto has taken over as general manager and chief executive officer of the Mitsui Taiyo Kobe Bank Ltd in Bombay.

Rear Admiral D.V. Taneja has taken over as chairman and managing director of Garden Reach Shipbuilders & Engineers Ltd.

Vijay Ranchan has been appointed managing director of Gujarat Mineral Development Corporation Ltd.

T.K. Gururaj has been elevated as executive director, HRD, of HMT Ltd.



. Ramakrishna has
appointed general
ager and chief
utive officer of Bank
hrain and Kuwait
. in Bombay.



R.N. Misra has taken over as executive vice-president of the IMFA group of companies.



R.K. Sachdeva has been promoted as vice-president, finance, of the IMFA group of companies.



K.M. Naik has taken over as labour relations adviser to the Tata group of industries.

ASSOCIATIONS

ul Upadhyaya has
elected chairman of
Advertising
dards Council of
.

Khanna has been
ected president of
Travel Agents
ciation of India.**S.K.**
a has been re-elected
rman, eastern region.

Kothari has been
ed president of the
at Chamber of
merce, Calcutta.

D. Radhakrishnan has been elected chairman, Eastern India regional council, of The Institute of Cost and Works Accountants of India.

Upendra Mokashi has been elected chairman of the Konkan Nagari Banks' Association.

Abhay Firodia has been elected president of the Association of Indian Automobile Manufacturers.

Jaspal Singh Bhasin has been elected chairman of the Engineering Export Promotion Council.

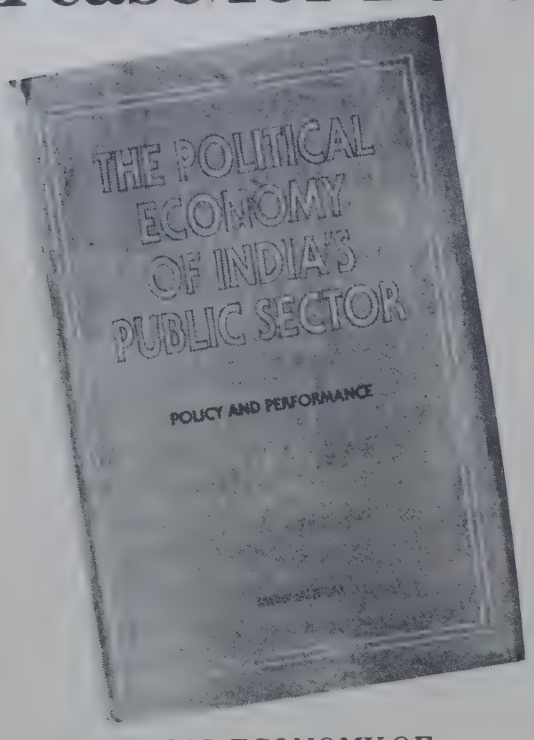
Mahendra M. Shah has taken charge as president of the Association of Merchants & Manufacturers of Textile Stores & Machinery (India).

M.P.K. Nair has been elected to the managing committee of the Indian Banks' Association.

H.K. Shah has been elected vice-president of the West India council of the Indo-American Chamber of Commerce.

Sunanda Mane has been elected secretary and treasurer of the Institute of Insurance and Financial Sciences Education Research & Training.

A case for *Perestroika*



THE POLITICAL ECONOMY OF INDIA'S PUBLIC SECTOR
By Baldev Raj Nayar
Popular Prakashan, Bombay, 1990,
pp. 323, Rs.325

The book under review is an important contribution to the growing literature on India's public sector. The author, Baldev Raj Nayar, is a professor of political science at McGill University, Montreal, Canada, and has written several books on various aspects of the Indian economy and polity. This study centres around the consequences of the public sector for the Indian economy, society and polity. It evaluates the performance of the public sector through case studies of the steel and aluminium industries in which public sector firms, (SAIL and BALCO) are compared to private sector firms (TISCO and HINDALCO).

Based on empirical data

The first part of the book, which is divided into five parts, deals with theoretical and methodological issues concerning the study of public sector performance. The second part examines the interaction between the public sector and economic policy. The third — by far the most interesting section — contains empirical case studies. The author emphasises that his conclusions are based on empirical data, not on ideological considerations.

According to Nayar, the public sector has failed in what arguably is the nucleus of economic development: capital accumulation. The huge financial losses incurred over time have led to the public sector becoming a powerful brake on economic growth. The author argues that the weight of empirical evidence — in his study — runs counter to the popular argument that the poor performance of the public sector is not because of its own inefficiency, but due to government administered pricing. The radical position that public sector losses in India are the result of the state's attempt to subsidise the private sector through the provision of cheap inputs is demolished: "In the ultimate analysis, it would seem, the private sector sustains the public sector continuously through taxation on its profits and further also through direct subsidies to PSEs in some cases (eg. Aluminium Regulation Account)."

One reason commonly forwarded for the poor performance of SAIL steel plants is that the foreign collaborators did not give adequate training to Indian engineers at Durgapur and Rourkela. Nayar points out that even if that were so it does not speak highly of the public sector as manager and entrepreneur, since it ought to have ensured that effective training was part of the contract. He also underlines the fact that private sector firms did not experience such difficulty in assimilating foreign technology.

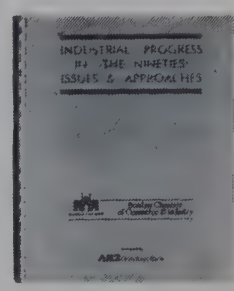
Intrinsically incapable

The one area in which the public sector has been successful is preventing greater concentration of economic power in private hands. However this has not been accomplished at the initiative of the public sector, but has rather resulted from the nature of the system itself. Poor management, neglecting costs, poor technological innovation, inability to survive under a competitive environment, politically motivated values — all these factors combine, the author believes, to suggest that the public sector is intrinsically incapable of performing the functions of entrepreneurship effectively.

Very similar to the USSR under Gorbachev, the Indian state has clearly overloaded itself. The times are perhaps propitious for a distinctively Indian version of *perestroika* in which the performance of the public sector comes under greater scrutiny, as a result of which the private sector is allowed more freedom to expand.

■ RAMNATH NARAYANSWAMY

Layman's guide



INDUSTRIAL PROGRESS IN NINETIES: ISS AND APPROAC
Bombay Chamb Commerce & In
pp. 170, Rs.175

The statistics make interesting re During the seventh Five Year which concluded in March 1990, industry recorded an average a growth rate of 8.5 per cent. The ec too grew at an average rate of 5 cent per year — an improvemer the target of 5 per cent.

Industrial growth in recent y directly attributed to changes i ernmental policies over the last d which has led to decontrol, incr deregulation and liberalisation. into account this rapid growth ar seeing the need to look at the which will affect Indian industry coming decades, the Bombay Ch of Commerce and Industry (BC cently carried out a study on some subjects of relevance to the indu

Well documented

The study — the results of whic been condensed into this book conducted by the Industries Sub mittee of the BCCI. Six subject been covered like impact of libe tion on industry, financial mar the nineties and the impact of class revolution on industry.

The result is a lucid, well mented book with liberal use of and graphs. Wherever possible, e tive lists have been provided — stance, a list of foreign collabo for convenience foods and anot for anticipated power posit 1994-95 in different states. The a of the book have also come up wit interesting finds, such as the fa unlike popular conception, the share of advertising revenue nered by press (66 per cent) a television (which accounts for per cent).

The best thing about the boo simple, easy-to-read languag ployed. BCCI's efforts thus, can preciated not only by people industry but also be laymen.

■ RA

'ursuing challenges



Krishnamurthy, *55, is chairman and anaging director of Madras Refineries mited*

e recently appointed chairman and anaging director of the Rs.1,300 crore blic sector giant Madras Refineries mited, H. Krishnamurthy, spent most of s career in the railways. After acquiring postgraduate degree in mathematics m St. Joseph's College, Trichy, in 1955, lowed by a masters degree from the dian Statistical Institute, Calcutta, he ned the Central Railways as a proba-nary officer in the Railways Accounts rvice.

He did not stay buried only in accounts lgers though. "I took an active interest everything from surveying and linking signalling," he says. That attitude, for-ed early in his career, helped him de-op skills that have stood him in good ead.

mputer buff. The first career break he ceived was in 1967 when he became EDP anager, Western Railways. He oversaw e first computerisation attempt ever ade by the Railways and was successful setting up inventory control systems, ain tracking and bills payments systems at greatly increased efficiency and de-eased costs.

With this experience behind him, he be-me chief accounts officer and deputy fi-nancial advisor, Western Railways, in 1973. The return to accounting did not dampen his enthusiasm for computers, however. In 1977, as a joint director on the Railway board, he convened a committee which planned the computerisation of the Southern Railways. The idea of computerised passenger reservation, one of the ideas the committee came up with, has proven to be its most productive spin-off.

"Every aspect of management fascinated me and continues to fascinate me," he says, explaining why he agreed to go to Hindustan Organic Chemicals Ltd, in 1978, on deputation from the Railways. He liked it there, and so had no hesitation in accepting the offer to be the chairman and managing director in 1981.

He spent nine years at HOCL during which time he pushed the turnover up more than seven times, from Rs.35 crore to Rs.255 crore and added on units. A phenol and acetone manufacturing unit was set up at Cochin and a teflon manufacturing unit, called Hindustan Fluorocarbons, was set up at Hyderabad.

"Concentrating on aspects like full capacity utilisation, debottlenecking, human resource development and market condition analysis to arrive at a good product mix helped us maximise profits," he says. "Funds for expansion of the units were collected without government support, through equity or loans," he maintains.

Outlining objectives. The second corporate offer, from Madras Refineries Limited (MRL), came in February 1990. "I felt it was time to seek challenges in new areas, and HOCL was best left to a new leader," says Krishnamurthy who, having assumed charge at MRL, has already outlined three major objectives to be achieved during his term. He aims to "pursue, get clearance and implement all projects — including the aromatics project — within the estimated time and cost, to achieve technical excellence and introduce career planning for MRL's personnel."

■ DHARANI K. PANI

FRONTRUNNERS



Satish Moorjani, 35, an IIT-trained engineer and an IIM graduate from Calcutta, will soon be Kwality Frozen Foods' general manager, sales and marketing for western and southern India (excluding Bombay and Tamil Nadu), a region with a Rs.35 crore turnover. Currently on deputation at Kwality's Pune factory, for whom he projects a fourfold turnover increase to Rs.20 crore, he is unfazed by new entrants. "The challenge is to create a new customer base," he says.

His last stint as manager, sales and services of Kinetic Honda, saw sales up from 1,200 to 7,000 scooters a month. Thinking up ingenious events like the Monsoon Rally not only helped sales but also fetched two Guiness Book records. "My thrill has been to solve problems creatively", he says. And he will need all the creativity to keep cool as the ice-cream wars hot up.

—R.K.



Twenty-nine-year-old, IIM-trained, **Bharat Puri**, product manager, Asian Paints, has the responsibility of overseeing the company's products at the national level. He joined Asian Paints in May 1982 and stayed — "unusual for an MBA," he says, "but great fun."

Puri spent the first three years in UP selling paints in dacoit-infested areas. Subsequently posted as branch manager, Bombay, he moved up to be product manager in 1987, and also handled corporate advertising.

It was he who conceived the successful 'Celebrate with Asian Paints' campaign. "Every second customer recalls our name," he says proudly, "We have built an image that says 'Indian but competent'."

He sees an exciting future: "Touch Wood is the first of many new products we plan to launch." And he won't touch wood to do that.

—N.B.G.

IMPORTED, PATENTED TECHNOLOGY & KNOW-HOW AVAILABLE FOR FOLLOWING PROJECTS:

CODE NO.	DESCRIPTION
B101	Oil Spill recovery equipment suitable for high seas, industrial and ship board use.
B102	12 Volt Battery operated emergency lighting using conventional full length tube light giving full Lumen.
B103	Inexpensive wind powered Generator for farms and outdoor use. Can also be mounted atop multistoreyed buildings.
B104	Equipment for manufacture of high strength low cost cast insitu concrete blocks at construction sites using on-site materials.
B105	Manufacture of gift-wrapping paper from recycled waste papers.

Interested parties while corresponding should please mention Code number of project to enable us to process and expedite correspondence. For further details, please write to:

Mohan Dewan
C/o. R.K. Dewan & Co.,
78, Podar Chambers,
S.A. Brelvi Road,
Bombay-400 001.

BACK ISSUES

the India magazine

of her people and culture

If you have missed some of the back issues of **the India magazine** a would like to order them to complete your set, fill in the coupon below a send it to our editorial office in New Delhi.

You can buy these either as individual copies or sets of copies. In additi complete leather-bound sets, with elegant lettering on the front cover are a available, making attractive additions to any library shelf. Or better still, g a volume to a friend.

Please send me the following issues ☐ sets ☐ leather-bound volumes ☐ by V.P.P. (postage charges extra). I have ticked ( ) the appropriate box.

Rs. 30 per issue

Feb '81	Apr '81	Jun '82	Aug '82	Jan '83	May '83	Nov '83	Jun '84	Aug '84	Sept '84	Nov '84

Volume V Dec 1984 to Nov 1985
@ Rs. 30 per issue ☐ Rs. 330 per set of 11 issues ☐ Rs. 500 per leather-bound volume of 11 issues ☐

Dec	Jan *	Feb	Mar	Apr	May	Jun	Jly	Aug	Sep	Oct	Nov

Volume VI Dec 1985 to Nov 1986
@ Rs. 25 per issue ☐ Rs. 200 per set of 8 issues ☐ Rs. 370 per leather-bound volume of 8 issues ☐

Dec	Jan *	Feb *	Mar	Apr	May *	Jun *	Jly	Aug	Sep	Oct	Nov

Volume VII Dec 1986 to Nov 1987
@ Rs. 25 per issue ☐ Rs. 250 per set of 10 issues ☐ Rs. 420 per leather-bou volume of 10 issues ☐

Dec *	Jan *	Feb	Mar	Apr	May	Jun	Jly	Aug	Sep	Oct	N

Volume VIII Dec 1987 to Nov 1988
@ Rs. 10 per issue upto June 1988 and @ Rs. 25 per issue from July 1988 onward Rs. 195 per set of 12 issues ☐ Rs. 365 per leather-bound volume of 12 issues

Dec	Jan	Feb	Mar	Apr	May	Jun	Jly	Aug	Sep	Oct	N

Volume IX Dec 1988 to Nov 1989
@ Rs. 20 per issue ☐ Rs. 240 per set of 12 issues ☐ Rs. 410 per leather-bou volume of 12 issues ☐

Dec	Jan	Feb	Mar	Apr	May	Jun	Jly	Aug	Sep	Oct	N

* These issues are not available

Name: _____

Address: _____

Mail to: **the India magazine,** 59, Regal Building, Connaught Circus, New Delhi 110 001.
(If you do not want to cut the coupon, send us these details on a separate sheet).

Life in five-star homes

hen George Kokkoris, cargo superinten-ent for CL-Line, a Greek shipping com-any, steps out of his room at Hotel esident in Bombay, he receives special tention. The chief cook is known to ask if e wants something not on the restaurant enu, and other staff members greet him e a friend. For Kokkoris has made Hotel esident his home since 1979. "When the esident recently did up its lobby in Ital-n marble," he grins, "I told the manager ey'd done it with my money."

Though all hotes offer long-staying ests handsome discounts, five-star mes have steep price tags. But in the ace-starved commercial capital, execu-es, especially of the expatriate breed e, often forced to stay in hotels, with eir companies footing the hefty bills. -Line, for example, pays Rs.1,400 a day r Kokkoris' accommodation, not count-g extras like food and laundry. Georg Ju-ens, deputy consul general for the ederal Republic of Germany, spent Rs ,360 over a 2-month stay at Oberoi wers, paying Rs.15,724 himself — and is does not include food bills. And a for-gn airline shelled out approximately Rs akh a month for a suite in the same hotel ey maintained for its general managers er 12 years.

ard to get

ented apartments, of the requisite stan-rd, in terms of space, convenient loca-n and safety, are difficult to come by. e foreigner saw some 85 houses before nding one that satisfied him. Another mplains that the owner of a posh sky-raper demanded that most of the rent paid unofficially in foreign currency.

"The rent control act protects hotels," plains N. Ravi, general manager, Far-as Hotel, who has himself lived in a hotel om for six months. "The average flat-ner is reluctant to rent out his house for ar of not getting it back."

It's not that pernickety expatriate man-ers prefer to set up temporary residence lavish hotel suites. Luxurious transi-ry homes have now become a common rk offered to senior Indian managers ing transferred from other cities. For-gn banks and multinationals are known show such consideration to key execu-es whose apartments are being done . A. Rajan, for example, assistant vice esident, Bank of America, stayed with his wife Vidya at Hotel Taj Mahal for three months when he was transferred to Bom-bay from Madras this June.

What's life in a five-star abode like? For those who have experienced it, the reac-tion is mixed. People like Kokkoris, who are alone, enjoy the excellent service, and find the hotel lobby a place to make friends. N. Ravi even became the best man at a Scottish guest's wedding. Others, par-ticularly those with families, long for the warmth of 'home'. "The hotel provides all facilities," says Kokkoris, "but more im-portant is that I know everyone here. I won't know what to do with myself if I take an apartment." Jurgens, on the other hand, was comfortable enough in his hotel room — until his three daughters, all un-der 10, arrived, along with his wife. The family stayed in the adjoining room for a week, but thought it better to "camp" on air mattresses in the flat they subse-quently moved into. "Hotels can be luxu-rious," he says, "but I would not like to spend the rest of my life in them."

For one thing, "Hotel fare becomes mo-notonous," says Rajan. As Jurgens ex-plains: "When you've stayed at a hotel for two months, you're bound to have eaten your way up and down the menu at least twice." Within a week of moving into his five-star home, Jurgens opted for canned sausages in his office. Apart from being much less expensive, they were more sub-stantial than five-star toast and egg breakfasts. Personal entertaining costs can also be phenomenal, says Rajan, as guests have to be given five-star meals.

No privacy

There is also the need for privacy. "It's great to have somebody come in to make your bed and ask if you need anything," says Jurgens, "but you have to make ex-tensive use of the 'Do not disturb' sign." Besides, unless the long-staying guest has a suite, visitors are shown straight into what is really a private bedroom.

Julia Lambert is one of those rare mar-ried women who actually enjoy five-star service for long stretches, but her hus-band, Leonard, feels "confined". The two have stayed in hotels the world over and have been at the Centaur Juhu in Bombay since July. Lambert, an electrical engineer with Davy Power Gas, has hobbies like painting, woodwork and rug-making — hardly activities that flourish in hotel rooms! After a while, there is a need to lead a normal life far removed from the plush surroundings of a hotel room. One hotel thinks it is doing its bit toward this end by letting a family of four keep a dog.



The Jurgens at their Oberoi Towers 'home'

Still, luxurious and convenient though they may be, hotels are, after all, mere resi-dences. For that living space pervaded by the warmth and intimacy of human life, it would seem there's still no place like home.

■ MENKA SHIVDASANI

OUR 15,000

MERCHANT

OUTLETS WILL

NEVER ASK YOU

FOR MONEY

All you do is flash your MasterCard. It's the most widely accepted credit card in the country. You can use it at more restaurants, hotels, department stores and supermarkets than any other card. Buy the







smallest item on their list if you like. And you'll never be charged a paisa extra. It doesn't matter which of these cards you own. They're all part of the MasterCard family. And can be used at the







merchant outlets of all these leading banks in India. So if your wallet's without a MasterCard, make sure to contact any of the banks whose cards are shown here. You'll be most welcome.



MasterCard

BANK IN YOUR POCKET

ADVERTISING SPONSORED BY MASTERCARD MEMBER BANKS IN INDIA ANDHRA BANK, BANK OF AMERICA, BANK OF INDIA, CENTRAL BANK OF INDIA CITIBANK N.A., HONGKONGBANK, UNITED BANK OF INDIA, VIJAYA BANK, THE VYSYA BANK LTD. AND MASTERCARD INTERNATIONAL INC.

LINTAS RC.DEL.MAS.3C 2740

And now a new conversation piece.

The $ Edition.



▶ The sleek Maruti,air-conditioned and with exclusive accessories, has been open to bookings (with assured delivery) beginning 16th August, 1990. Against payment in foreign exchange only.

▶ Each car is a special edition. A plush interior, equipped with a factory-fitted air-conditioner and genuine leather seats. Along with aluminium wheel hubs and a number of exclusive accessories.

▶ Ten thousand of these international class cars will be delivered by April 1992.

▶ The Maruti 1.0 GLX. Every inch an international car. Only, a lot less costlier.

▶ So if you have access to foreign exchange through relatives or friends abroad, get in touch with them now.

And acquire the dollar version of the famed conversation piece.

1. Booking amount is US$ 3,000/- to be paid either by Bank Draft in favour of Maruti Udyog Limited (payable at New York)

   OR

   By FCNR deposit in the name of customer issued by nominated banks.
2. Option to pay full price which is US$ 19,900/-.
3. An All-India booking draw will be held on the computer to generate a priority list for all the bookings received by Maruti.
4. Booking period now extended to 20th October, 1990. The dates mentioned in terms and conditions No. 4, 8(d), 8(e) and 17 of the booking forms may be read as extended by one month.

▶ For further details contact your nearest Maruti Dealer. Booking forms (priced at Rs. 10/- only) are available since the 2nd week of August, 1990 with the dealers.

MARUTI 1.0 GLX

Quite a conversation piece

HTA 69



id you think that only M.F. could do Husain? Hold your eath'. Unknown to ny, for the last 16 rs, **Aditya Birla,** the n behind the Rs.3,000 re industrial conglome- e has been quietly re-cre- ng (read copying) past sters. "Someone in my nily was ill and I had to be home to attend to him. at's when I started paint- ," says Birla. Since then has duplicated the rks of painters like Hus- , Mali, B. Prabha and nardo Da Vinci. But in the fu- e, the eminent industrialist eatens to do more original rk and less duplication. Are on the verge of witnessing Bi- "recreate" some of the phe- menal success he has ieved with companies like sim, Hindalco or Indian on?

he Nehru planetarium in central Bombay had a sur- se visitor last fortnight: **ful Shah,** chairman and naging director of the Surat- ed Garden Silk Mills. First, he e the planetarium officers good news: he was on his way with a powerful telescope for them. Then, he wanted to hear the bad news: the exact dates when sun spot activity would be



to London and would come back at its peak. Shah is obviously a great believer in Stanley Jevons' theory of trade cycles which correlates changes in the economy with the number of sun spots. Now, if only the industrialist had taken a similar interest in his once high flying company, Garden Silk wouldn't have found itself in the tight that it is in today.



In daytime he is **T.D.Kumar,** joint secretary in the department of finance and an income tax commissioner in Bombay. After office hours, he becomes Kumar Kiran, writer and director for the movies. Yet, script writing and direction are not "mere hobbies but a passion" for Kumar. Having written the script for three Hindi potboilers and directed two telefilms, he is now wielding the megaphone for his magnum opus, "Nehru - The Jewel Of India", with Pratap Sharma in the lead role. "I always wanted to make a film that was aesthetically acceptable and at the same time appealed to a wide audience," says Kumar. Simultaneously riding two horses may seem an impossible task for many but not Kumar. "I have always been a multi-track person," he claims. "My profession and my passion complement each other."



As a member on the board of Burroughs Wellcome (India) Ltd, **David Steele** was busy last week attending board



meetings and a shareholders' meeting. Yet he found time to visit Bahadurpur village near Calcutta and "see for myself how our money is being utilised." Steele, who is also controller, finance and administration for Europe and Japan of The Wellcome Foundation, runs the Oxted Third World Group along with some locals from his native village of Oxted, 25 miles south of London. The group, which has the objective of "relieving suffering in Third World countries," has so far pumped £ 5,000 into Bahadurpur. Since the idea is to give assistance directly for poverty alleviation and upliftment programmes, representatives like Steele ensure that they have first-hand knowledge of how their funds are being used. Steele is satisfied with the progress made in Bahadurpur. "And now," he reveals, "we have earmarked £ 5,000 for another village in West Bengal."

"We'll keep the people guessing"



Deregulation in steel production, costlier steel and other recent developments have put the industry in the limelight. **Dinesh Goswami,** *Union minister of steel, spoke to Kingshuk Nag of* Business India *on various issues confronting the steel sector*

Even as you have now allowed the private sector to set up steel plants with capacities of up to 1 million tonnes, there are reports of a further relaxation in the policy. Will this mean a "free for all" in the industry?
Let me put things in a proper perspective. As you may be aware, we approached the Planning Commission for two additional steel plants at Daitari and Vijaynagar (in Orissa and Karnataka) in the Eighth Plan. We sought a budgetary allocation of Rs.200 crore for each, but the economic situation being what it is, we are not hopeful of getting this money.

This makes the steel ministry's position very difficult. The targets it has set for itself — increasing production substantially to cover the demand-supply gap with enough left for export — will only become further away.

The chief ministers of Orissa and Karnataka are keen that these plants come up. In fact, the foundation stone for the project at Vijaynagar has also been laid. These chief ministers say that if the Central government cannot set up these projects, they should be handed over to the joint sector.

Till now integrated steel plants have been limited to the public sector. To involve the private sector will call for a radical departure from existing policy, a decision which only the cabinet can take. We are preparing a proposal which we will forward to the cabinet.

What view is the cabinet expected to take? What will the impact on the industry be if the private sector is allowed to manage steel plants with capacities of, say, 3 million tonnes?
The cabinet will weigh each case on its merits. It is too premature to say which way it will decide, but if our proposal is agreed to, it will be a major decision.

Your suggestion is to allocate steel plants to the joint sector because the Central government does not have enough resources. If this is so, how do you expect the state government and the private sector to raise money?
Well, the state government will have to look for resources. The Orissa chief minister is confident of arranging finance. Why then should the Government of India disbelieve him?

Biju Patnaik is confident of raising the money because his cost estimates are lower than yours. He is planning to import second-hand blast furnaces, which you personally are against.
It isn't true that I am totally against second-hand blast furnaces. Each proposal will have to be examined carefully before a decision is taken.

What kind of a response do you expect to the announcement allowing the private sector to set up steel plants with capacities of up to a million tonnes a year?
All that remains to be formulated are the guidelines which will govern the entry of the private sector into this field. Once issued, we expect a favourable response to our initiative.

What is the fate of the various modernisation schemes for public sector steel plants?
As far as Rourkela is concerned, prequalification bids are being examined. For Indian Iron and Steel Company (IISCO), Burnpur, our proposal is w the Public Investment Board (PIB). hope to get clearance from the cabi by year-end. We are committed to th modernisation of IISCO in spite of i large employment. Our proposal is a departure from the original turnkey proposal. Instead, it projects an investment return of 10.6 per cent – fair proposition.

What do you foresee for the steel sector by the turn of the century?
By the terminal year of the Ninth Pl we may just be meeting domestic demand without exporting. By 2000 we expect that the public sector's contribution towards domestic stee production will still be 60 per cent.

However, earlier we had projecte exports at 4 million tonnes though would be an overall shortage of 2 m tonnes. In other words, we had beer thinking of exports without an over exportable surplus.

How can you even think of export without bringing costs down to international standards?
We assume that our costs can matc international standards. Our export even now are marginal — 200,000 tonnes last year and targeted to gro 300,000 tonnes this year. I agree thi small quantity.

How do you justify the hike in ste prices?
There was a strong case for this hik Duties, freight, power tariff and wag all went up since steel prices were r the last time. And although the wag revision had been fully absorbed by steel plants, they were losing on acc of the hike in input costs. I may add steel prices have always been raised offset cost increases.

If you have to raise steel prices ev now and then you might as well decontrol prices. Even more so if consider the viewpoint that decon would allow the industry to raise enough resources for modernisat
Various aspects are to be considere before deciding this. Decontrol is al attractive from a producer's point o view, but from the consumers' point view, prices go up.

Which way will it be decided final
We would like to keep people guess

THE ONLY AIRLINE TO FLY DIRECTORONTO.



Air Canada flies to Canada faster than any other airline. If you wish, you can stop over in London. At no extra charge.
Come, fly Air Canada. Welcome to the Land of the Maple Leaf.

Contact your Travel Agent or Air Canada.

Bombay – Canada.
4 times a week.

A BREATH OF FRESH AIR

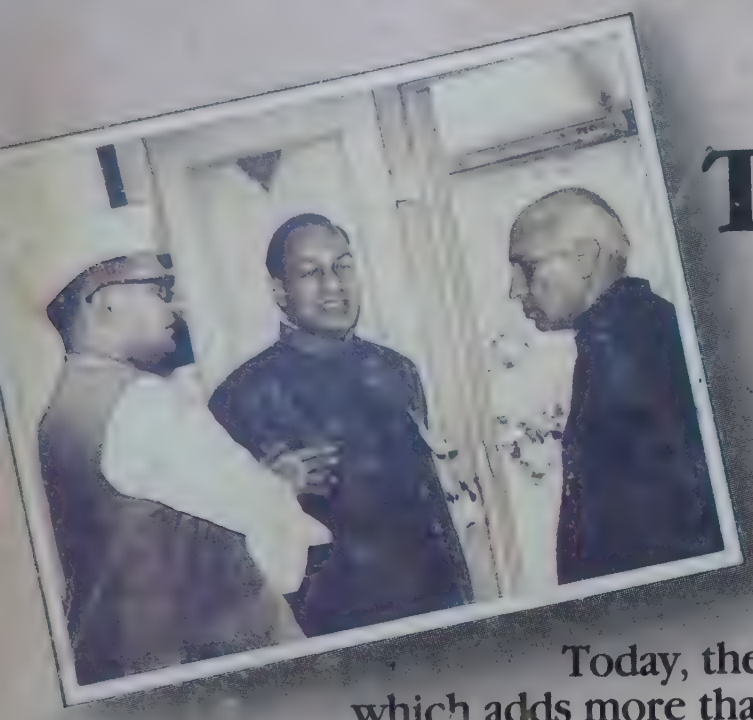
Air Canada

ir Canada Bombay 202-1111 ✱ GSA Ahmedabad 46-8545 ✱ Bangalore 23-9475 ✱ Calcutta 44-7783 ✱ Calicut 65757 ✱ Cochin 35-4193 ✱ Faridabad 812-6475 ✱ Goa 3338 ✱ Hyderabad 3-0697 ✱ Jaipur 77202 ✱ Jullundur 2488 ✱ Kanpur 21-2787 ✱ Madras 825-0884 ✱ Mangalore 32256 ✱ New Delhi 332-5876 ✱ Pune 66-7063 ✱ Tellicherry 22899 ✱ Trivandrum 68003.

Rediffusion/AC/90/143

RN 35850/80

REG. No. MH
SOUT



The times of today

The admirable status of the Bajaj Group derives from three generations of men and women unyielding in their belief that principles eventually triumph over circumstances.

These principles, forged at the epicentre of the most turbulent and oppressive decades in the history of India, continue to prove their validity.

Today, the Bajaj Group is a family of over twenty companies which adds more than Rs 15 billion a year to India's GNP and employs 27,000 people. At its head is Ramkrishna Bajaj, Kamalnayan's younger brother.

The flagship of the group is Bajaj Auto. Accounting for over 60% of India's total scooter motorcycle and three-wheeler production. It currently ranks number two in the world in scooters. With over 17,000 employees, Bajaj Auto was the second most profitable major corporation in the private sector in 1986-87.

Bajaj Electricals is a remarkable manifestation of decentralisation. A major lighting and electrical appliances company which, apart from manufacturing electrical lamps, tubes and fans, has devoted enormous time and talent to helping the small-scale sector pioneer local manufacture of a vast range of products, while providing them with quality control standards, a trusted brand name and a nationwide marketing network.

Mukand Iron & Steel has been an historic pace-setter in specialised steel, material handling and steel plant equipment. Processing equipment for giant industries. And a renowned engineering consultancy company, respected for the role it played in developing India's mini-steel plant industry.

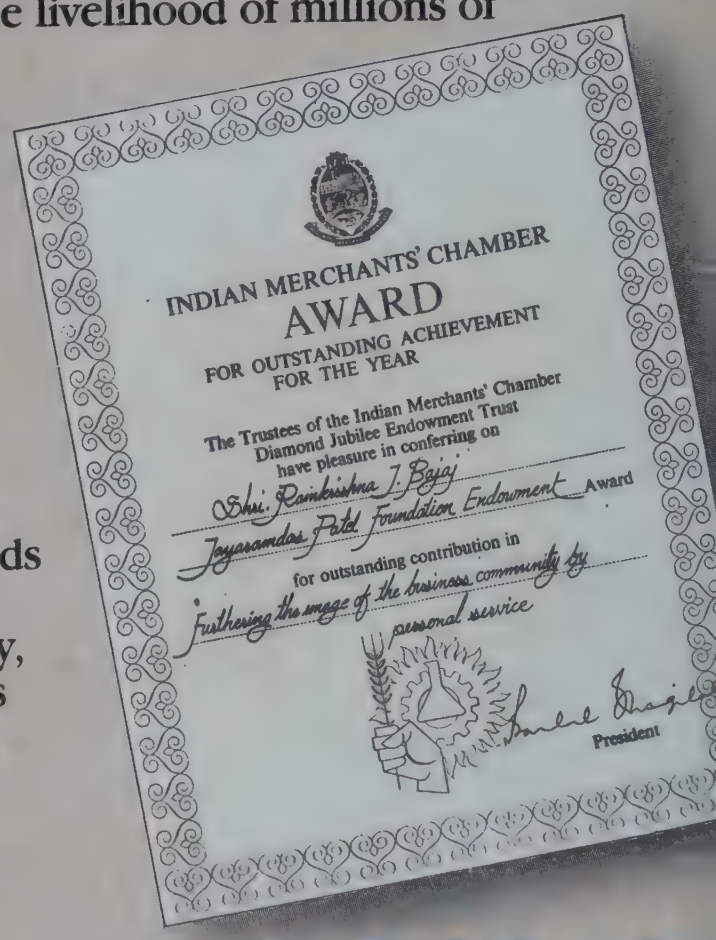
Bajaj Hindustan is a major sugar and cement manufacturer, and has been a pace-setter in a sphere which is critical to the economy and the livelihood of millions of agriculturists.

The list of Bajaj companies, products and services rolls on. Machine tools. Lighting equipment. Ayurvedic medicines and toiletries. Export. Import. Switchgear and instrumentation. Travel. Cotton ginning and pressing. Investments.

With the corporate philosophy it has inherited, the Group, through its charitable trusts, devotes considerable resources to projects and activities committed to the greater good of society.

The Jamnalal Bajaj Foundation gives annual awards for outstanding contributions in the fields of constructive work and rural development. Recently, it added an international award for foreign persons promoting Gandhian values abroad.

The philosophy of its founder Jamnalal, still guides the principles and practices of the Bajaj Group. As *Business India* wrote, "The power and influence of the House of Bajaj is derived not because of its financial muscle but because of the Group's emphasis on moral rectitude and the observance of ethical norms in business dealings."



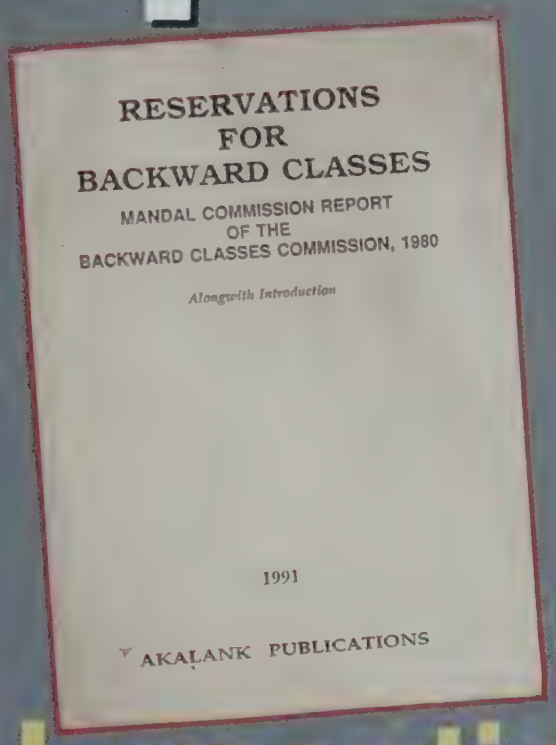
bajaj auto

Business India

the magazine of the corporate world

October 15 to 28, 1990 Rs.

The Implications





of implementing the Mandal Report

of seeking a $1 billion IMF loan

INSIDE

Modipon's changing texture

The Best & Worst of Annual Report



GREEK NATIONAL DAY. SHIMMER AND SPLENDOUR.

A LITTLE BOY IN NATIONAL DRESS.

REMINISCENT OF CHURIDAR-KURTA. WITH JACKET TO MATCH.

A CELEBRATION IN SILK AND BROCADE. OF AN AGE BYGONE.

FESTIVALS, MARRIAGES, MUSIC RECITALS. AND YES, NATIONAL DAYS.

ONE OF MANY THOUSAND READYMADES.

INCLUDING A STUNNING NEW RANGE OF TROUSERS.

EXACTLY WHAT YOU'D EXPECT FROM THE BEST.

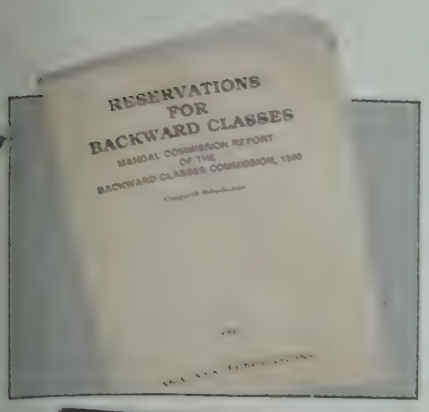
INDIA'S SINGLE-LARGEST SHOP FOR MEN'S WEAR.

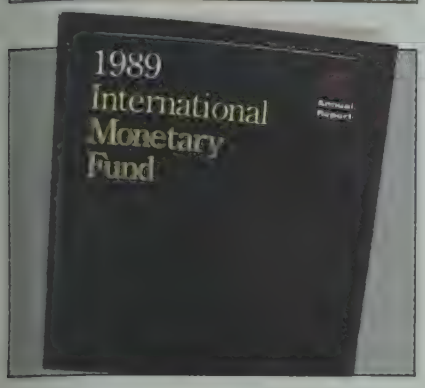
ONLY AT BHULABHAI DESAI ROAD, BOMBAY.

of Bombay!

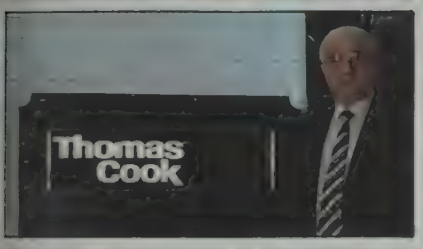
BENZER

C.F.T.R.I. MYSORE



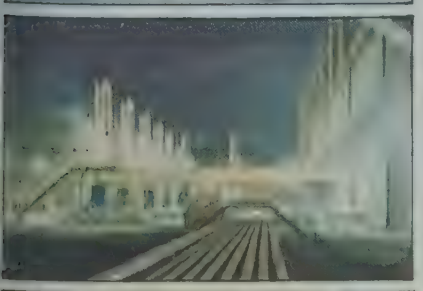














COVER FEATURE

56 The implications of implementing the Mandal Report
Though only about 11,000 government jobs would be affected immediately, in the long run it will change the complexion of north Indian politics

94 The implications of seeking a $1 billion IMF loan
For once the Indian government has shown agility by turning to the International Monetary Fund for a large loan, and the finance ministry would have pulled off a mini-coup if the IMF accedes to the Indian request

CORPORATE REPORTS

66 MCF
A smooth takeover
Vijay Mallya's long-standing dream has been finally realised as he adds this fertiliser giant to his stable

67 THOMAS COOK
What's cooking?
With the help of financial institutions, the company is gearing itself to take advantage of the Visit India Year 1991

70 MODIPON
The changing texture
This company, which is one of the largest in the Modi group, moves into a new era with the decision of its erstwhile collaborators Rohm & Haas to divest their holding

73 BHARTI TELECOM
Hard life of a frontrunner
The industry leader in hi-tech electronic call receiver instruments, the company has many expansion and diversification plans

78 GAS AUTHORITY OF INDIA
Changing tack
At long last, this loss-making oddity has begun to show a profit, but at the cost of changing its priorities: is it finally getting the better of an inimical environment?

84 TATA AQUATIC
Caught in a bind
Political imbroglio has sounded the death-knell for a once promising project

10 EDITORIALS
Mandal: Thy father's will be undone

Cotton yarn export: tied up in knots

World Bank: more of the same

31 BUSINESS NOTES
India's shipbreaking industry is the world's largest, but the government must look into its problems to help it grow further

The recent writing instruments exhibition underlined the sorry state of the Indian pen industry

Gujarat's first inland container depot raises high hopes for the state to establish itself on the international maritime map

Will the current renewed thrust help boost the sales of khadi and village industry products?

Two major petrochemical projects in Tamil Nadu have finally been cleared, but downstream industries need to be promoted

41 FOLLOW-UP
Grasim Industries is in the dock for alleged violation of pollution control laws in Karnataka

The Dhoot brothers' Videocon group is set to complete the transformation of the small Marwari trading family into big-league industrialists

103 COMPUTERS
Recent policy announcements give reason for good cheer, but there is much that remains to be done

134 ENTERPRISE
Twentyfive years after it began operations, the low-profile, family-run S.R.P. Tools now commands half the market for gear cutting tools

168 FEATURE
The top twenty and the dud dozen among this year's company annual reports

224 INTERVIEW
M.M. Rajendran, chief secretary to the government of Tamil Nadu, speaks on the improved scenario in the state's industrial sector

89 Advertising
216 Books
31 Business Notes
28 Businessmen in the News
52 Centre
108 Comment
103 Computers
141 Corporate Monitor
66 Corporate Reports
56 Cover Feature: Mandal Report
94 Cover Feature: IMF Loan
163 Deposits
45 Economic Indices
47 Economic Outlook
49 Economy
10 Editorials
134 Enterprise
215 Executive Ladder
221 Executive Life/Style
117 Exports
168 Feature
41 Follow-up
14 For Your Information
121 Foreign Exchange
100 Guest Column
224 Interview
164 Investor Contest
125 Labour
3 Letter from the Publisher
7 Letters to the Editor
16 Listening Post
157 Market News
90 Marketing
123 Media
153 New Issues
20 News and Events
223 People
217 Professional Profile
174 Reader Service
160 Stockmarkets
127 Survey
136 Technology

Published by Ashok H. Advani for BUSINESS INDIA, Wadia Building, 17/19 Dalal Street, Bombay 400 001 and printed by him at the Tata Press Limited, Bombay 400 025 and BUSINESS INDIA, care Usha Offset Printers Pvt. Ltd., 125 Govt. Industrial Estate, Kandivli (West), Bombay 400 067.
Phototypeset by Business India Photosetters.

A GLOBAL RANGE FROM A SINGLE SOURC



Now get the finest office automation systems from the business communications leaders: Global Tele-Systems.

It pays to deal with a company that understands all your office communication needs.

Whether you're starting off with a Fax Machine or need Computers, EPABX Systems, Computerised Telexes, Electronic Pagers, Optical Fibre Cabling, Mobile Radio Phones, Wireless Systems or just about anything in office automation or telecommunication. Global can advise you on just the right system to meet your specific requirements.

Hand-picked from the finest brands, both Indian and international. Equipment and systems designed to grow with your business needs. All from a company that understands office automation best.

Backed by the most comprehensive maintena and service support in t country. No wonder it p to get all your office requirements from one source.

Interested? Talk it over with Global. We'll show you how to maxim efficiency by upping productivity.

GLOBAL
TELE-SYSTEMS (PVT.) LTD.

Ideas at work

412, Janmabhoomi Chambers, 29, Walchand Hirachand Marg, Ballard Estate, Bombay 400 038. • Tel.2613010 • Fax.2610538 • Telex 011-86201 GTPLIN • 86650 FFFS IN

Business India

Publisher	Ashok H. Advani
Associate Publisher	Malvika Singh
Assistant Editors	Naazneen Karmali, Basudev Dass (Bom.) Sushila Ravindranath (Madras) N. Radhakrishnan, Eapen Thomas (Bom.)
Senior Correspondents	Dilip Maitra, Sekhar Seshan (Bombay)
Correspondents	K. G. Kumar (Trivandrum) Dharani K. Pani (Madras) Teesta Setalvad (Bombay) Devaprasad Purokayastha (Bangalore) Raju Bist (Bombay) Sumit Ghoshal (Bombay) Rahul Sharma (Delhi) Alpana Killawala (Bombay) Roop Karnani (Pune)
Staff Writers	Madhumita Bose (Calcutta) Shekhar Ghosh (Bombay) Gayatri Bhandarkar (Calcutta) Lancelot Joseph (Bombay) Arif Sharif (Delhi)
Chief Sub-editor	F. S. Pinto
Senior Sub-editors	Tushar K. Das, Jayakumar Menon
Sub-editors	L. Fernandes, Kausalya Vijapurkar Rahul Goswami, Shankari Chakravarty
Documentation Head	Anjum Rajabali
Photographers	Pankaj Desai, Ravi Patil (Bombay) Sajal Bose (Calcutta)
Executive Director	Atul Deshmukh
Marketing Director	Pheroza Bilimoria
Advertisement Manager	Roopina Nicholson 2041974/2253
Asst. Advt. Manager	Ferzine Esmail (Bombay) 2041974 Sumati Bedi (Madras) 474964/860714
Sr. Advt. Executives	P. L. Baluja (Calcutta) 448455 Prabha Nair (Delhi) 312485 Shenaz Rangwala (Bombay) 2041974
Advt. Executives	Hyacinth Albuquerque (Bom.) 2041974/2253 Archana Pillai, Ritu Krishna (Delhi) 312485 N. Pankaja (Madras) 474964/860714 Purnima Shah (Bangalore) 265149
Subscription Manager	Anita Mehta 274161
Asst. Circulation Mgr.	Ravi N. Iyer (Bombay) 274161
Sales Executives	C. Bhasker (Bombay) 274161 Monisha Mehra (Delhi) 312485 S.S. Kannan (Madras) 474964/860714 Purnima Shah (Bangalore) 265149
Design	Trilokesh Mukherjee
Asst. Art Director	Paulomi Shah Madhvani
Design Team	Raphael Fonseca, Bertie D'Souza, Mukesh Pandya, Andrew Gonsalves, Shubhra Bhatnagar
Production Manager	Henry Serrao
Distribution	India Book House Pvt Ltd
Registered Office	Wadia Building, 17/19 Dalal Street, Fort, Bombay 400 001. Tel: 274161/271558
Editorial, Marketing, Advertising & Administration Office	Nirmal, 18th floor, Nariman Point, Bombay 400 021 Tel: 204 6236/202 4422/202 4424 Telex: 1183557 BZIN IN
Delhi Office	59, Regal Building, Connaught Circus, New Delhi 110 001 Tel: 312485 Telex: 031 61359 NFW IN
Madras Office	Flat No 4-A JP Tower, 4th Floor 7/2 Nungambakkam High Road Madras 600 034. Tel: 474964/860714 Telex: 041 7118 BZIN IN
Calcutta Office	Krishna Villa, 100 Park Street, Calcutta 700 017. Tel: 448455

Subscription rates

INDIA: ANNUAL SUBSCRIPTION Rs. 165

Plus Rs. 5 for cheques not drawn on a Bombay bank.

OVERSEAS (One year only)

Airmail only to Pakistan, Bangladesh, Sri Lanka, Afghanistan and Burma Rs. 770 or US$55, Middle East, Asia, Europe, Africa & Australia Rs. 1,380 or US$95, North and South America Rs. 1,445 or US$100.

Cheques to be drawn in favour of ***Business India.***

Rates include airmail charges.

Unsolicited manuscripts cannot be returned unless accompanied by postage.

LETTER FROM THE PUBLISHER

Has enough been written about the Mandal Commission? Every day's newspapers contain reports on suicides, immolation bids and violent incidents across the country, particularly in the north. These tragic incidents are stark reminders of the cost the country will have to pay for V.P. Singh's rushed decision. The reason why we have put Mandal Commission on the cover is to underline the implications of V.P. Singh's actions. We believe that this cost is a cost the country cannot bear.

The other reality is that unfortunately, the Mandal decision has crippled this government totally. After Mandal it will be impossible for the Janata Dal government to function effectively again. With Rajiv Gandhi's government, once the Bofors issue was raised, it got so bogged down that it took no significant decisions thereafter. In a similar manner, after Mandal this government will hardly be able to function any more. There are any number of examples of important matters that have been forgotten. The new industrial policy has been stymied. And even now almost 70,000 of our compatriots are still stranded in Kuwait. The sad fact is that we are now stuck with a lame duck government until the next elections, whenever they are called.

The other major issue that will bog this government down is the continuing balance of payments problem. Unfortunately, now we will be forced to take a loan from the IMF, at a time when our credit rating is slipping, on disadvantageous terms. To a large extent, the government has only itself to blame for this. Ever since it took off it has not stopped repeating that the coffers are empty and that there is a foreign exchange problem. The Gulf crisis is only one more blow. It is only natural, then, that foreign lenders should be a little more wary of lending to India. If the government had really found the coffers empty (see *Business India* 8 January 1990), it could have easily borrowed several billion dollars at the beginning of the year on very favourable terms. With exports growing at over 15 per cent per annum in real terms and imports at only 6 or 7 per cent, whatever we borrowed could have easily been paid off over a period of five years. There would have been no unacceptable conditions imposed, because in any case the government was following the very policies advocated by the IMF and the World Bank. But the government chose not to do so.

Even though foreign exchange continues to be one of our major economic problems, this government (just like the last one) previous government) has not adopted any innovative measures that attack the root of the problem. We have consistently argued that there are several tried, tested and safe measures which can encourage large inflows from NRIs and others, and help solve the problem permanently.

In this issue *Business India* joins the Harvard Business Review in conducting a worldwide survey amongst business readers on "The boundaries of business". We invite *your views.*

Ashok H. Advani

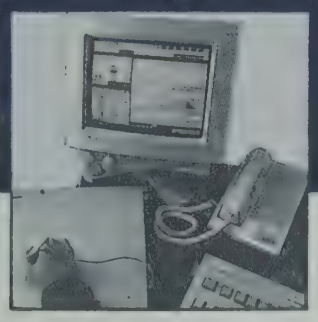
Man isn't sending financial messages to the moon yet...



The information and communication needs of the fi
community are evolving at an unprecedented pace.
(The Society for Worldwide Interbank Financial
Telecommunication) went a long way towards provi
secure and efficient means of exchanging financial
instructions among correspondents.

In response to current customer needs, Wang Labor
Inc USA have now developed SAFE. The SAFE (SWIF
Automated Financial Environment) system interfaces
SWIFT while providing a full range of networking ser
and other general purpose financial applications.

But the system is ready.



FE incorporates the latest hardware technology and
vides features that enhance and optimize the SWIFT
tems. SAFE offers you a competitive edge by
imizing the use of personnel. And gives you the
hnology and support to control all aspects of your
iness. Enabling you to react to market changes while
ering the most efficient means of processing your
iness requirements.
system co-exists with equipment from other vendors,
le integrating financial message processing with the
nsaction needs of your back-office applications.

SAFE is brought to you by Digitron, committed to the marketing, installation and support of the entire range of Wang equipment in India..

WANG

e leading edge of technology

For more information, call or write:

Digitron

COMPUTERS

My Fair Deal House, Nanman Point,
Bombay 400 021. Tel: [illegible]

Vision [illegible]

What did Santa Claus of Iceland say to the Skypak Man?

"For an extra charge, could you also promise to wear a costume and a beard, when you deliver?"



We'll deliver. Wherever on earth. SKYPAK The worldwide couriers.

Skypak House, Off M. Vassanji Road, Marol, Andheri (E), Bombay 400 059.

Avenues:SC:570



More jobs, not reservations

t is a pity that jobs for professionals are kept vacant even when SC/ ST candidates are not available to fill them (Editorial, 1 October). Courts have already stipulated that reservations at the cost of efficiency are not desirable. In fact reservations promote unequality. Instead, the government ought to provide more job opportunities.

MAHESH KUMAR
New Delhi

V.P. Singh's decision to implement the Mandal Commission recommendations was a blunder. It was untimely and unwarranted. By doing so, the prime minister is responsible for the violence that has spread across the country, which has grave consequences. It is time the special privileges accorded to certain castes are abolished. What is needed today is a "reservation policy based on economic status". Merit should also count. The reservation system should, at the most, be implemented at the primary, and secondary school and college levels only. It is shocking to note that in certain establishments SC/ST employees are promoted from many grades below in order to fill up the reserved quota'.

KRISHNA KUMAR
Hyderabad

Perhaps your editorial on the Mandal Report was one of the best ever. While we can welcome the government's attitude to observe the nineties as the decade of farmers, it is difficult to accept the Mandal recommendations. Take the case of SC/STs for whose development varied policies have been introduced in the last 40 years. Have they achieved their goals? What is the guarantee that the National Front and the like-minded state governments of the future will strive hard to improve the social status of backward people?

If caste alone becomes the criterion for the implementation of any development-oriented policy, how are the more than 1,000 castes in our society going to be fairly represented? Furthermore, shouldn't we concentrate on long term planning based on ideologies rather than these short term measures of expediency?

B. RAMESH
Bangalore

Make it expensive

Your article on duplicate brands (Marketing, 17 September) throws light on the spurious goods trade rampant in our country. You have very correctly pointed out that the legal procedures for trademark protection are not only expensive, but long-drawn-out as well. A long term solution to protect the interests of genuine manufacturers is to develop products like the holographic logo.

Although not foolproof, this may protect the interests of manufacturers plagued by counterfeits and ensure that spurious manufactures at least find it difficult and expensive, if not impossible, to duplicate.

C.V. NAGARAJ
Madras

Out of focus

This refers to the 'Mithapur Experiment' (People, 17 September) to counteract the oil shortage sparked off by the Gulf crisis. While the intention behind the effort of 'cycling' to work was honourable, it is hardly a realistic solution to the crisis.

The true ailment lies elsewhere. Despite access to technology and a vast natural resource and manpower base, India's share in world trade is like a drop in the ocean. Our exports are less than 1 per cent of our GNP. And Indian products have yet to meet the desirable quality standards at competitive prices in world markets.

S.D. NATU
Bombay

Worker participation

What is the objective of worker participation in management? Is it for realising the right of the workers, or for facilitating greater co-operation between labour and capital? According to E.A. Ramaswamy (Labour, 3 September) it is the latter, though he maintains that workers' rights would be realised once co-operation is accomplished.

His view is based on the premise that the greater the degree of participation, the more the chances of reducing conflict. This need not be the case. In this connection, the Indian Constitution, Article 43A, directs the state to legislate for worker participation, and the other directive principles of state policy, especially Article 38, stand for promotion of economic democracy in the country. It would seem that the Constitution isdirecting the state to create for workers the right of participation.

Ultimately, to make worker participation objective would mean strait- jacketing the issue. Co-operation oriented participation would draw the same criticism as did the idea of responsible unionism.

V. JANARDHAN
Hyderabad

Though the idea of worker participation in management is good, it is too premature to be introduced in Parliament.

First, our workers are not educated enough or competent for active participation. Second, there is the possibility of worker-participants being 'bought' by the board, with the result that participants are used as tool to exploit the rest of workers.

It is therefore, essential to accord positive priority to: block the loop-holes in the existing structure of labour and industry laws; stringent legislation to prevent workers from involving themselves in unrealistic and illegal agitations to press demands; and amicably dispose of more than 350, 000 cases pending in various stages of litigation.

ASHOK K. NIHALANI
Bombay

Hair raising hoax

S. Gopalakrishnan Nair was a laboratory attendant with FACT (Marketing, 3 September). He is neither a biochemist nor an ayurvedic physician and his Anoop Herbal Hair Oil is not a cure for baldness. On the one hand he says that he never claimed his hair oil cured baldness, on the other hand the carton that packs Anoop bears the words "For preventing very serious hair fall and for all types of baldness".

I am 30 and have used Anoop oil for about a year with no results!

K.S. SANKARAN
Thiruvananthapuram

Clear guidelines required

In the article 'Service charges: catching up with costs' (Banking, 3 September), R. Srinivasan has stated that the increase will not affect the common man, but will be felt mostly by the corporate sector. This is not true since banks are levying service charges like cheque book charges, ledger sheet charges etc. even from small traders and professionals.

In fact, RBI and IBA should clarify and issue necessary instructions that such service charges should be levied only on the corporate sector — public and private limited com-

NUCLEAR POWER AND YOU – VII

SAFE MANAGEMENT OF RADIOACTIVE WASTES FROM NUCLEAR POWER PLANTS.

A unique feature of nuclear power plants is the extremely low quantity of radioactive wastes generated–about 0.7% to 2% of spent fuel discharged, depending on the type of reactor and the U235 content in the fresh fuel.

The spent fuel containing most (99%) of the high level radioactivity due to fission products, produces heat, and is stored under water in on-site storage bays, sized to take lifetime discharge. The water, besides cooling, also provides biological shielding from radioactivity to plant personnel.

Newly produced plutonium (Pu) forms about 0.6% and unused uranium (U-238) forms upto 98% of the spent fuel which is eventually taken to reprocessing plants, to recover valuable Pu & Ur, for re-cycling in breeder reactors and to separate the unwanted fission products for disposal. Though it's true, that plutonium 239 has a half-life (period in which radioactivity reduces to half) of 24000 years, it poses no problem, as it is used in breeder reactors to produce electricity and fission products of lesser half-lives. Incidentally, natural uranium (U238) has a half-life of 4.5 billion years. And, precisely because of exceedingly long half-lives, such sources are least radioactive.

The balance 1% radioactivity, resulting from maintenance work on reactor systems, is low level wastes (LLW) in the form of gloves, rags, tools and medium level wastes (MLW) such as spent resins, metal fragments, chemical sludge. These are disposed of at site.

Strategy for waste management.

The main objective is to prevent unacceptable detriment to man or environment, now and in future, and also to minimize the burden on future generations. Hence, the overriding criterion is the radiological and environmental protection achieved, in isolating the wastes from the biosphere during permanent storage.

The CC-Strategy (concentration and containment) is used for managing MLW and HLW (high level wastes) and the DD-Strategy (dilution and dispersion) for LLW. The world over, waste management facilities for segregating, transporting, storing, treating and disposing LLW and MLW are provided at the plant site. But, for HLW, it is taken away from the plant site to reprocessing plants for separating fission products, immobilising them in vitrified blocks, and air cooling the blocks for about 30 years, before finally disposing them in stable geological repositories, several hundred metres deep into the ground.

India's achievement in reprocessing and managing radioactive wastes.

Spent fuel reprocessing is essential for India, which has limited uranium resources, so as to extend their utilisation and to reduce the HLW quantities for disposal. The first reprocessing facility at Trombay was commissioned 25 years ago, in January 1965, as an entirely self-reliant and indigenous effort. The second plant for power reactor fuel reprocessing (PREFRE-1) was built and commissioned at Tarapur in April 1977, thereby establishing long distance inland transportation of spent fuel in shielded flasks, from RAPS (Rajasthan) and MAPS (Tamil Nadu). The Kalpakkam reprocessing plant (KARP) for reprocessing FBR and MAPS fuel is the third unit nearing completion.



Fuel Reprocessing & Waste Immobilisation Plants, Tarapur

HIGHLIGHTS OF RADIOACTIVE WASTE MANAGEMENT IN INDIA

Year		1985	2000	Disposal
Installed Power capacity	MWe	1310	10,000	
Primary Solid Very low Level Wastes (VLLW)	M^3	1850	107,000	Earth trenches at plant site SLR
Low Level Waste Concentrates (LLW)	M^3	3000	77,000	Concrete trenches at plant site SLR
Intermediate Level Wastes (ILW)	M^3	800	20,000	Steel-lined concrete tile holes at plant site SLR
High Level Liquid Wastes (HLW)				
Non-Solidified	M^3	440	8,000	In SS tanks at WIP
Solidified (Vitrification)	M^3	—	400	Interim storage in S^3F near WIP

For ***handling radioactive wastes*** at each of the nuclear power stations, the gaseous wastes are passed through very fine filters and discharged into the atmosphere. Low level liquid wastes are filtered, diluted, monitored and dispersed in to rivers, reservoirs or the sea. MLW liquids are concentrated and fixed in cement. Solid wastes are disposed of in shallow land repositories (SLR). Bore holes are provided around the SLR to monitor ground water for any evidence of leaching.

The Waste Immobilisation Plant (WIP) commissioned in March 1985 at Tarapur bituminises and vitrifies high level liquid wastes. The glass blocks are cast into stainless steel containers, two of which are placed within a metal overpack and kept in the interim air cooled Solid Storage & Surveillance Facility (S^3F). The S^3F can store upto 2000 overpacks with air cooling, for about 30 years. After which, they will be emplaced in stable geological repositories. Investigations are in progress for candidate repository sites. The safety requirements of the reprocessing and waste management plants (where most of the work is done remotely in shielded chambers), are stipulated and checked by the Regulatory Body to safeguard plant personnel, public and environment.

NPC. Committed to meeting the nation's energy needs.

To achieve a better standard of living today and to conserve our dwindling energy reserves for future generations, we would need an optimal mix of thermal, hydel and nuclear sources for fuelling India's growth needs. That's why NPC has just one major overriding goal. To harness the power of the atom. To help India achieve self-sufficiency in power generation for generations to come.

NPC. Fuelling a powerful future

Want to know more about nuclear power? Send your queries to:

NUCLEAR POWER CORPORATION
(A Govt. of India Enterprise)
Centre No.1, 16th & 20th Floor,
World Trade Centre, Cuffe Parade,
Bombay - 400 005

Issued for public information by the Directorate of Environment and Public Awareness – Nuclear Power Corporation.

panies. Proprietory concerns and partnership firms should be exempted from such levys and should be allowed to open savings bank accounts.

MAHESH KAPASI
New Delhi

• Government did well

It is not correct to say that the government is unconcerned about Indians in the Gulf (Editorial, 17 September). You must not forget that I.K. Gujral was the first foreign minister to visit Kuwait and Iraq on behalf of Indians there. While thousands are fleeing the Gulf, thousands more are lining up to get there even now. It would seem now that the Indians in Kuwait panicked unnecessarily and started to move out in a rush. It is always the case with Indians (be it Fiji or Uganda). We are quick to run away, instead of facing situations boldly.

V.R. KRISHNA RAO
Guntur

• The prime minister and his team seem to be totally engrossed in useless internal politics, giving little importance to India's role as a leading spokesman of the Third World. The prime minister has completely evaded his responsibility in this crisis and left the job to the foreign minister. India's stance in the Gulf crisis is that of a person trying to balance on a floating log. For its short sighted view and political immaturity, India has already been branded as a supporter of Iraq's aggression in Kuwait. This is going to have serious repercussions in the future.

K. ARUNACHALAM
Jeddah

• Wrong rank

I compliment you on the 'Super 100' issue (17 September), but I must point out a major computational error relating to Bajaj Tempo Limited.

The 1989 balance sheet considered by you is for the 18 months from October 1987 to March 1989. While you have correctly annualised the profit figure, the sales figure is erroneous. The sales of Rs.259.6 crore must stand annualised at Rs.173.07 crore to be comparable with the sales figure for 1989-90 which is Rs.221.1 crore. When annualised, sales increase by Rs.48.03 crore — a positive growth rate of 28.75 per cent, higher than the 'Super 100' average growth rate of 22 per cent.

With this correction, the ranking of the company by sales would be revised upwards.

S. A. GUNDECHA
Secretary,
Bajaj Tempo
Pune

• Good idea!

Kudos to Kuldip Singh of Bombay, for his brilliant hypothetical example (For Your Information, 6 August) of how an organisation can save on DD charges.

We have already begun using the idea saving at least Rs.50 per month on bank charges for our branch, where our disbursements as DDs are not so negligible. This single idea can save our branch alone Rs.600. I am sure the savings will be considerable.

M. BAIRAVASUBRAMANIAN
Madras

• Errata

You said in your article (Marketing, 17 September) that "to counter the problem of duplication, Crompton Greaves asked Johnson & Johnson to develop a three-dimensional sticker for their tubelight holders". There seems to be some discrepancy in this statement. Kavisha 3 Dimension Pictures Pvt Ltd, is the only organisation manufacturing 2D and 3D Pictures in India and supplying 2D stickers to Crompton Greaves Ltd. In fact, Johnson & Johnson Ltd, themselves have been purchasing these stickers from us for their sales promotional activities.

SUDHIR CHOKSEY
Managing director,
Kavisha 3 Dimension Pvt Ltd
Bombay

• I refer to your issue (Professional Profile, 17 September) where I featured in the Front Runners section. I wish to draw your attention to certain factual errors in it, contrary to what I had mentioned in the interview, as it is a little misleading. In our company, the technical and financial stake, inter alia, is with the SKF Group abroad and not SKF Bearings (I) Ltd. Further, I was not transferred from SKF Bearings to APSL.

P. RAVISHANKAR
Vice-president, finance
Associated Precision Spindles Ltd
Vadodara

• Banks understaffed

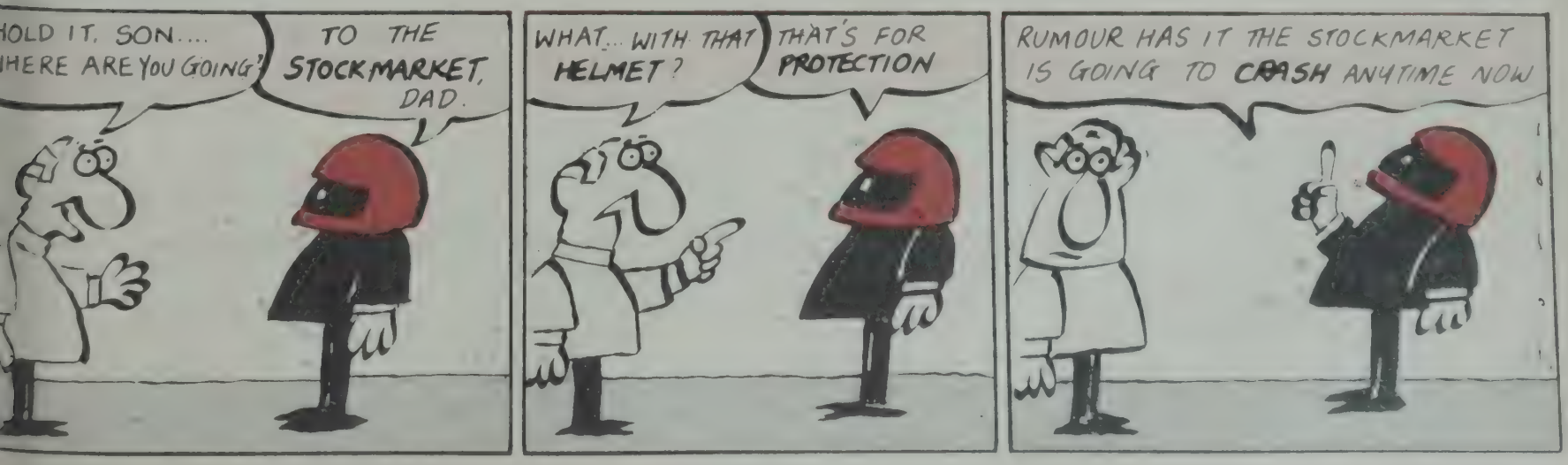
While there is scope for improvement in customer service in nationalised banks, the reason for deterioration in customer service has not been specified (Banking, 3 September). Recently, bank officers went on strike in protest against the ban by RBI on recruitment by nationalised banks.

The main motivation behind the nationalisation of banks in 1969 was to extend the service to the weaker sections. Over the years, profitability has become one of their main objectives. Deposits of Rs.5,100 crore in 1969 leapfrogged to Rs.1,85,000 crore this year whereas the staff strength increased to only 9,50,000 from 2,20,000. Shortage of staff in nationalised banks is one of the main reasons for poor service. The government talks about providing employment opportunities to the educated. Yet, in spite of the fact that banks are understaffed to the extent of about 2,00,000 persons, no effort is being made to solve this problem.

K. VITTAL SHETTY
Trivandrum

LIKE FATHER, UNLIKE SON

by Joran



Thy father's will be undone



The Mandal Commission begat the *rath yatra*. The *rath yatra* begat the *sadbhavna yatra*. Politics has become show business, a circus of dancing elephants.

Such politics is far from harmless. The dancing elephants have not been too particular about where their feet land. In the process, they have trampled much property to ruination and carried off many lives to death. Just as Indira Gandhi's assassination is indelibly associated with arson in the minds of north Indians, the Mandal Report has become linked to suicide and vandalism, and the *yatras* to communal anguish.

Why do our politicians behave thus? Contrary to the attempts to equate present day politicians with Mahatma Gandhi and Sardar Patel, the comparison does not stick. When Gandhi wished to highlight a political problem, he demonstrated his seriousness by suffering for it. The Dandi March was a long two-month walk, not an airconditioned drive; his 1943 fast lasted 18 days, not just a few hours. Gandhi had principles which he would not forsake under any circumstance. Similarly, Patel steadfastly refused to countenance any act of duress directed against minorities.

Productive politics died when the freedom struggle ended. The absence of a sense purpose among our politicians has degenerated to a spirit of meanness. To today's politician, only his triumph over a fellow politician counts. The country can go to the slaughter house, if that is what the politician requires. And worse, even the well-meaning — though usually woolly-headed — politician has now joined the game. He feels that the problems of this country are insoluble. (As Biju Patnaik, for example, puts it, now that the Mandal Report is out in the open, who will want to be trapped into being Prime Minister?) Insoluble problems cannot be tackled easily, henc spirit of "me-first." So, what better way to be first than pete in a drama contest? And you can trust the media along by judging, not the merits but the superficialities show — who draws the most crowds? Which areas re peaceful? Where are the most suicides? and so on.

But why should things be like this? India's problems ar insoluble — if approached in a spirit of give-and-take. note, the word "give" precedes the word "take". A compar with the events in Germany would be telling indeed. A ago, the probability of a unified Germany would have beer at zero by even the most naive optimist. It took the o minded pair of Gorbachev and Genscher to change this p ability, combined with the willingness of West Germar take in the East. The union of East and West Germany wa act of generosity. It showed that a generous spirit can even in this material age. But solutions require produc politics; politicians must lead the way by making sacri themselves, not by demanding sacrifices from others, be the jobs of the forward classes or the sanctums of minori

Our politicians have abased themselves by tackling country's problems with merely symbolic acts. Do they re believe that such symbolism can jell with the masses? If s undoubtedly reflects their low opinion of the intelligenc the population. But recent history should provide them f for thought. NTR's *Chaitanya rath* gathered huge crowds few votes, as also Devi Lal's *Vijay rath* last year. The Inc populace has repeatedly shown that, notwithstanding fondness for spectacle, it votes with its head, not its heart thoughts may be diverted, but its mind cannot be.

Cotton yarn export: tied up in knots



Here is a case study of the Indian version of liberalisation. This July, the export of cotton yarn was suspended since exporters had exhausted the year's 40 million kg ceiling set by the government. Hectic lobbying by yarn exporters then led the government to liberalise and raise the ceiling to 70 million kg.

This may be the bureaucrats' version of liberalisation; but it is like enlarging a bird's cage rather than opening its door. This policy makes no sense in the context of the cotton scenario. Consider the facts. The revised ceiling is still less than 7 per cent of the country's yarn output. It is also valid for only a year. Next year, yarn exporters will again waste resources and lose markets while they try and persuade the governmen their case. The development of new markets with comm ments for the long term remains impossible.

Compare the Indian policy with that of Pakistan. The to yarn produced in India during 1989 was 1,337.19 million and the yarn exported was 52.89 million kg. In contra Pakistan's cotton yarn production was 641 million kg in 19 Of this, 235 million kg was exported — nearly 37 per ce Despite that, Pakistan today has 17.4 per cent of the wo trade while India's is around 3 per cent.

The government's blinkered idea of cotton yarn expo arises from the lobbying power of the handloom sector —

oly cow of all governments. To help the handloom sector, the overnment imposes two restrictions: first, mills are required o reserve half their production capacity for hank yarn, the arn used by the handloom sector. The second is the restric- ion on yarn exports. Exporting yarn supposedly pushes yarn rices beyond the reach of handloom weavers.

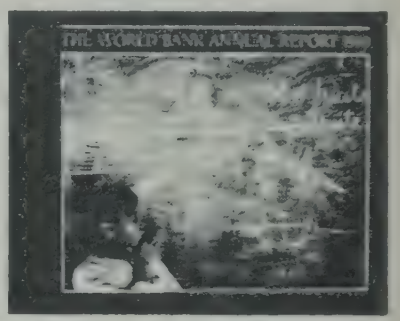
But the evidence strongly proves that both restrictions are seless. For 1987-88 (the latest year for which figures are vailable), there was a surplus of hank yarn — 45 million kg – much of which was probably converted to cone yarn for owerloom usage. The point is, now there is not just an excess f cotton for the domestic market but also sufficient spinning apacity to meet the requirements of all sectors without any estrictions on yarn exports. Not surprisingly, technical tudies reveal that if there is an increase in yarn exports, here is also an increase in spinning capacity utilisation. What ense, then, do export restrictions make?

Contrary to its pro-handloom stance on the yarn front, the government now permits raw cotton exports on a long term basis. Last year, the country exported about 140,000 bales (238 million kg). This year, it has already been announced that 200,000 bales (340 million kg) will be allowed. If 40 million kg of yarn export increases domestic price, will not 340 million kgs of raw cotton export increase it even more? But then the cotton growers lobby is very powerful.

The contradiction becomes sharper when value-addition is considered. Yarn exports retain 100 per cent value in foreign exchange as no import of raw material is involved and it brings in between 60 and 100 per cent more foreign exchange per kg when compared to raw cotton export.

Now that Korea, Taiwan and Hong Kong are slowly getting out of yarn exports, it is time India established itself firmly as the world's major exporter. The country not only has every natural advantage in cotton, but also the entrepreneurial talent to develop markets at remunerative prices. The only disadvantage is an unnatural one: the government's policy.

Vorld Bank: more of the same



he recent events in Eastern Europe — the collapse of the centrally planned economies — is a vindication of the orld Bank's faith in the efficacy of the market economy. The ank's annual report for 1990 spells out its objectives and rategy. Though the onus for funding the transition in East- n Europe will devolve largely on the newly constituted Eu- opean Bank for Reconstruction and Development, the npact on disbursements by the World Bank can not be totally nored.

World Bank disbursements to Eastern Europe increased om $543 million in 1989 to $1.84 billion in 1990 and are xpected to be substantially more over the next three years. he bank continues to play a major role in debt restructuring. Debt restructuring agreements concluded by Mexico, the hilippines, Costa Rica and Venezuela with commercial bank reditors was funded in part by the World Bank. Its commit- ent in the case of Mexico alone was $2 billion. Conversely, he total quantum of IBRD (International Bank for Recon- ruction and Development) loans and IDA (International evelopment Association) assistance for projects in the 25 orest countries in the World actually fell, from $8.79 billion $6.07 billion. All the 25 countries had per capita incomes low $370 — defined by the bank's World Development Re- ort as the poverty line. The fall was due in part to a reduction assistance to China from $1.34 billion to $590 million and to dia from $3.03 billion to $1.94 billion. Neither did the World ank substantially increase disbursements to other smaller ountries in the same group which are even poorer.

In addition to its commitment to eradicating poverty, the ank also reiterates its commitment to the environment. Yet there is a touch of *deja vu* here. Consider what it said in its 1989 annual report, "Considerable progress was made in fiscal 1989 in integrating environmental concerns into the the mainstream of the bank's operational and policy work; these concerns now pervade bank operations...." And then in its latest report, "Fiscal 1990 was marked by further intensified efforts to integrate environmental concerns into the bank's operations, policy and research work and by discussions on possible mechanisms to support efforts to protect the global environment." Yet, in India, environmental groups complain bitterly that the bank has consistently ignored environmental concerns.

It would, however, be ungenerous to deny that the bank's intentions are good. In India, for example, it has approved funding for watershed development, a distinct and healthy shift from its predilection for large irrigation projects. Thus, even though the bank's bias towards large projects remains, it now has to also assuage its environmental conscience.

In its eagerness to approve the Sardar Sarovar project, it pressured the Indian government to provide 2,500 hectares of forest land in Maharashtra for oustees from the project site. The project had initially been approved by the ministry of environment on the condition that no such demand would be made. So far sufficent land has been provided only for the oustees from Maharashtra. Similar provisions will have to be made for resettlement in Madhya Pradesh. More important, what sanctions will the bank apply if the conditions are subsequently not fulfilled? Also, while the bank may have had its way, has it established an unhealthy precedent which could tax India's already straitened forests reserves?



Our calling card has always opened doors for us.

Perhaps it was the famous first name.

Or the reputation for skilled engineering.

Or perhaps it was merely the smart, well-informed salesperson – who came knocking at the right door.

Over the years, Kirloskar Pneumatic began diversifying into new areas. To the widest range of pneumatic power products we added air-conditioning & industrial refrigeration equipment, mobile air-conditioning units, together with a sys engineering & turnkey project cell, and hydraulic power transmissions.

Which means we've become much m than just a "pneumatic" company.

Our markets today are much wider.

And deeper. A company which has b buying our compressors for years, now happens to be a customer for a turnkey project. Or for transmissions.

You guessed right. Our customers are diversifying.

REGIONAL/AREA OFFICES • AHMEDABAD **Tel. 460028** • BOMBAY **Tel. 220417** • BANGALORE **Tel. 210203** • CALCUTTA **Tel. 2669** • DELHI **Tel. 6432584** • HYDERABAD **Tel. 235868** • LUCKNOW **Tel. 244367** • MADRAS **Tel. 866999** • VISHAKHAPATNAM **Tel. 65183**

A Rs.75 crore company surely needs a bigger introduction.

We no longer know all the doors at which knock, leave alone present cards.

And if you've read this far, chances are at you're one such customer.

You know that our business has grown to 5.75 crores, not only because of the gendary Kirloskar engineering strength, but so because of ready and efficient product pport.

A reason why our machines have been mployed by every major industry or project, l over India, for the last 30 years.

And we're accessible. Call us anywhere in India and we'll be there.

Faster than you can say 'Open Sesame'.

KIRLOSKAR PNEUMATIC CO. LTD.

Hadapsar Industrial Estate,
Pune 411 013
Tel.: 670133/670341

Kirloskar

The name doesn't say it all

SIDENT REPRESENTATIVES : JAIPUR **Tel. 68263** • PUNE **Tel. 670130** • INDORE • RAIPUR • RANCHI

PRATIBHA-90-783

What's in a name?

Cash in on your name, Lalitha!

If your name, either in part or full, is LALITHA exploit it to the fullest. Lalitha Jewellery Mart celebrate their fifth anniversary, with an exclusive week for all the Lalithas in town.

Gift on proof of name
Bring along a simple proof of your name. Either your passport or driving license, ration card or gas connection, SSLC book or bank pass book. An attractive gift is automatically yours

Gift on purchase
Special gifts are offered to you, on jewellery purchases made during the week, in accordance with the volume of purchase.

Chit scheme waiver
Enrol in any of our jewellery chit schemes, and the first instalment comes to you absolutely free.

Photograph published in The Hindu
Every 100th Lalitha making a purchase will appear in print under the column 'Ditto Club'. This offer is restricted to 25 Lalithas only

2% life-time discount
For every purchase over Rs.25,000/- a membership to Ditto Card, entitling you to a 2% life-time discount on jewellery purchased at Lalithas.

Meet you at Lalithas. Choose a convenient day between the 13th and 20th (expect Sunday the 16th) of September; we guarantee you'll be amongst exclusive company.

Lalitha Jewellery Mart P. Ltd.
Ponagal Park, T.Nagar, Madras - 600 017
Ph:445939/444413/447477

Plenty, if you're lucky enough. An advertisement for Lalitha Jewellery Mart Pvt Ltd, published in *The Hindu* on 13 September promises a free gift if your name happens to be Lalitha, irrespective of whether you make a purchase or not. All you have to do is prove it with your passport, driving licence, ration card, gas consumer card, SSLC book or bank pass book.

Though the "attractive" gift is not specified, the scheme doesn't end there. There are also gifts on purchase, jewellery chit schemes, membership to a 'Ditto club' with the promise of a picture in *The Hindu*, and a life-time discount scheme — all for Lalithas!

Petrol from plants

The petrol crisis may have put everyone else in a quandary but the environmentalists have an answer to this one too — petrocrops or plants, such as *Euphorbiaceae* and *Apocyanaceae*, that yield petroleum products like hydrocarbons. These latex bearing plants, also called hydrocarbon or energy plants, contain a number of chemical constituents which can substitute for petroleum.

The department of non-conventional energy sour in New Delhi, in collabor with some universities ar research institutes, has identified about 355 spec of potential energy plant that grow extensively in India.

The plants grow even under extremely hostile conditions, including infe and degraded soil that ha surface layer and no nutrients or organic matt Not only do they thrive in such soil conditions, but also support the growth o some grasses.



New garb?

GITCO LTD.
ORGANISING
GRAND EXHIBITION
ON : 9 Sept. 90
FROM: 10 A.M. to 8.30 P.M.
AT: GITCO HOUSE,
STADIUM ROAD,
NAVRANGPURA,
AHMEDABAD 9.

This innocuous looking advertisement in a newspaper announces a grand exhibition organised by GITCO Ltd (Gujarat Industrial and Technical Consultancy Organisation). Nothing particularly unusual, though one wonders what a premier consultancy organisation was doing organising exhibitions. The exhibition is for, believe it or not, *chaniya cholis*, the popular Gujarati dress and *salwar kameezes*.

DEEPAK AHUJA
Surat

Im-power-ished definitions

Calcutta was always famous for its load shedding, but it has become a daily affair now. At an average power cuts range between two and eight hours every day. If the state government can't do anything to improve the situation, it can at least consider implementing the following.

- Renaming the minister for power as the minister for power cuts.
- The West Bengal State Electricity Board (WBSEB) could be renamed more appropriately as the West Bengal Seldom Electricity Board.
- Calcutta Electric Supply Corporation (CESC)'s slogan should be "Can't Ensure Supply Continuously".

T.K. GOPALAKRISHNAN
Calcutta

Business India invites readers to send original unpublished contributions to this page. The snippets can be humorous, insightful, outrageous or simply, informative. Each snippet must carry this coupon.

Rs. 50 paid for each published contribution.

Corporate meals

Is the dining table the right place for complex negotiations that precede business deals? Nutrition experts think otherwise. "Dinner is an excellent opportunity to get to know the people you are going to be dealing with," says Dr. Swati Piramal, a consultant based in Bombay, but decisions made in the middle of a heavy lunch or just afterwards are usually not the best. This is because blood supply to the abdomen is temporarily increased and the amount reaching the brain comes down:

Fierce arguments across the dinner table also make for poor digestion, because mental stress can suppress the flow of digestive juices. Of course, this applies as much to upwardly mobile executives as it does to squabbling couples!

The killer drug



Analgin, the popular pain killer, sold under different brand names by various companies, may well join the ever-expanding list of banned drugs if the efforts of the Voluntary Health Association of India (VHAI) are fruitful.

Apart from a recent VHAI report that appeals for the ban on grounds that the risks far outweigh the benefits — and cheaper adequate substitutes are available — a collaborative study of the adverse drug reaction (ADR) monitoring cell of the SDM Hospital of Jaipur and the Christian Medical College (CMC) of Vellore said that the drug has a fatal reaction.

Of the 446 reports of adverse drug reactions received by the ADR Cell in Vellore in one year, 35 were due to Analgin intake. In five casesthe reaction was severe, while in 23 it was moderate. The most common reaction was an outbreak of red rashes. In extreme cases anaphylaetic shock, wheezing, pulmonary oedema (excessive fluid in the lungs) and fits are some of the symptoms. Consumers of Analgin beware!

TS
Bombay

We don't need no education

If XLO Machine Tools Limited's directors' annual report is any indicator, educational qualifications no longer determine one's salary.

Menon, secretary to the general manager, gets the third highest pay packet and Pratapsing, the watchman, gets the fourth highest, next only to the general manager and the managing director. If not anything else, this should give a boost to the concept of dignity of labour.

Name	Qualification	Designation	Remuneration (Rs.)	Experience (years)
M.V.R. Menon	Inter Arts	Secretary general manager	1,19,704	29 years
S. Pratapsing	8th standard	Watchman	1,11,536	30 years
S.P. Katdare	SSC	Senior supervisor	1,00,585	21 years

Stock Exchange forgery

Guess who wins at the stock exchange and never makes a loss!!
Stock brokers?
Investors?
Badla financiers?
Not really.

The lady in question sits in a corner of the Calcutta Stock Exchange and forges the signatures of share transferors on "Share Transfer Forms". This professional help is in greatdemand, as many miss out the dates of book closing for a particular share. This service is available for onlyRs.15 per'signature'.

S. SASMAL
Calcutta

USA toll free



If you're an American here in India on a holiday and hard up for cash and you have to call home for more, or you're here on business and have to inform your boss in the US about the latest developments, what would you do?

Try USA Toll Free — Mahanagar Telephone Nigam Ltd's (MTNL) solution to the problem for a nominal service charge of Rs.10 per effective call. Tell the operator your name and the name and number of the party in the US, to whom you wish to make a collect call. After verifying whether the called party will accept your call and the charges you will be instantly connected. Calls are charged to the called party on AT&T card at collect call rates.

According to the deputy general manager of MTNL, Virendrakumar, "These calls are cheaper because the charge is only on the exact duration of the call. In ordinary calls, one is charged for a minimum of three minutes — even if the call is shorter — and on an incremental rate thereafter."

This will be especially beneficial to tourists and those on business trips as the foreign exchange permitted to visitors may sometimes be inadequate. Virendrakumar adds, "We are trying to extend this service to other countries as well."

SC
Bombay

Pipe dream?

The finance ministry's drive to conserve foreign exchange is turning out to be a boon for some Indian companies. A case in point is that of Mathura-based Saw Pipes Ltd (turnover for year ended March 1989: Rs.10.66 crore) of the Jindal group. As part of its expansion plans, the ONGC was to acquire Rs.300 crore worth of pipes. As a result of the government's recent restrictions, these pipes will now be sourced within the country. Saw Pipes is all set to deliver Rs.150 crore of pipes within a year. (The remaining part of the order will be met by the Rourkela plant of SAIL).

A sick company when the Jindals took it over, the share price of Saw Pipes which was below par at Rs.6, has now shot up to Rs.135. The Jindals had been entrusted with the full Rs.300 crore order but they just do not have the requisite capacity!

Appeasement deal

That politicians have been using the banking system to achieve their ends is not new. Janardhan Poojary, the former minister of state for finance did it most visibly through loan *melas*. But there are more covert ways of using banks.

The Sangli Bank Ltd, a private sector bank, with 169 branches and deposits of more than Rs.350 crore, sources say, has been offered to Prakash Patil, son of the late sugar king Vasantdada Patil. The offer is reportedly an appeasement deal from Sharad Pawar, the present Maharashtra chief minister, to the strong sugar lobby of the state. Sources have it that shares are already being purchased for Prakash Patil.

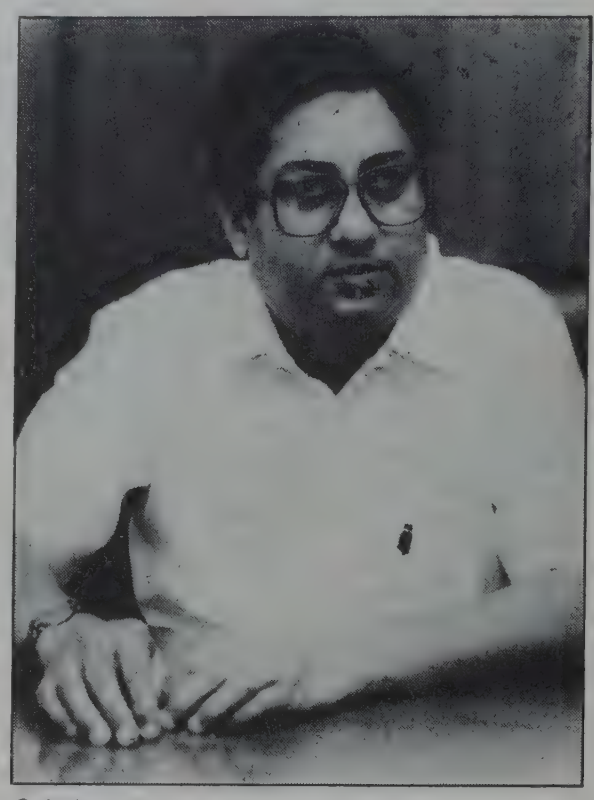
Power post

There has been a good response to the Maharashtra government's invitation to the private sector to set up power projects in the state. Six industrial houses have responded, including the Dhoots of Videocon, the Thapars and the R.P. Goenka group. In all probability, the Thapars and the Tatas (who have not bid yet) are expected to pip the other bidders to the post.

Crompton Greaves, a Thapar group company, may get the 820-MW gas-based power plant proposed at Nagothane near Bombay. On the other hand, the Tatas, who, through their three electric companies, are most experienced in power generation in the private sector, may bag the 420-MW thermal project at Khaperkhela in Nagpur district. While the gas-based project is expected to cost about Rs.900 crore, the latter may require about Rs.750 crore.

Takeover spree

N. Srinivasan of India Cement appears to be on an acquisition spree these days. A few months ago, he took over the 1-million-tonne cement plant of Coromandel Fertilisers Ltd. Now he is believed to have pipped the Seths of Great Eastern Shipping and the Ruias of Essar at the post in



Srinivasan: pipping the competitors at the post

the takeover race for the cash rich South India Shipping. Ever since J.H. Tarapore, the former owner of SI Shipping died in late 1988, his legal heir K.D. Parakh has been trying to sell the company. But since more than 50 per cent of the equity was owned by the Tamil Nadu government and the financial institutions, it has taken a long time to settle the deal.

Cement capers

Flush with funds from the last public issue, engineering giant L&T is now trying to expand its cement capacity in a big way. It has already disclosed its plans to set up several large cement plants in various parts of the country, including a 100 per cent export oriented unit. L&T has also recently hinted to the government that it is willing to take over the ailing public sector Cement Corporation of India (CCI), in case it is up for sale.

The attractions of CCI is that its mated accumulated loss of Rs.225 will give L&T a big tax shelter and its million-tonne capacity, spread over eral locations, will give the compa wider reach in the country.

Stroke of genius

The State Bank of India's board of d tors bid farewell to its month old ma ing director J.P. Kundra and rec mended revival of its tradition of ha two managing directors once again. board also recommended the two se most deputy managing directors (o total 18) for the posts — V. Mahad and T.K. Sinha.

While the names were awaiting proval of the PMO's office, the fina ministry came up with its own strok genius. Given the strong cadre line of two MDs from within might "neutra the outsider chairman, M.N. Goiporia to overcome this, it is said, ministry cials suggested that one of the two should be an IAS officer. If this happ the old SBI tradition of having two MD one of them an IAS — will be revived f It will also prove that the bureaucracy pay you back in the same coin.

Japanese to the rescue

This is probably the first instance of t Japanese management of an Indian c pany. Three months ago, Japanese m agers from Toshiba of Japan took o complete charge of Toshiba Anand B teries Ltd — a joint venture between C.L. Anand group of Delhi and Tosh The Ernakulam-based dry cell manu turing company, which started its ope tions in 1972, had been limping along the past few years. Labour and techni problems, lack of demand and shortag working capital together have plun the company deep into red. By 1988- the company's accumulated loss w Rs.2.56 crore, which was twice its equi

After taking over, the Japanese ma agement is reported to have improved t quality of the product and sales cons erably. It is said that the Japanese m also bring in fresh funds to tide over t working capital crunch. Once the co pany is back on the rails, the Japanese w hand it back to C.L. Anand. Or will Ana move out completely like he did from Pu jab Anand Batteries?

THE HARVARD BUSINESS REVIEW LIBRARY

An Indispensable Assembly of Management Know-how

THE HARVARD BUSINESS REVIEW LIBRARY		*HARD BOUND (HB). **SOFT COVER (SC):	
Code No.	Volume title	*HB	**SC
PART I	**GENERAL MANAGEMENT**		
1.021	Centralization & Decentralization	496	385
1.031	Decentralized Management	496	385
1.041	Ethics for Executives Part I	496	385
1.042	Ethics for Executives Part II	—	385
1.051	Guides to Corperate Responsibility	496	385
1.072	Saving our Health Care System	—	440
1.081	Management of Nonprofit Organizations Part I	425	255
1.082	Management of Nonprofit Organizations Part II	425	—
1.091	McKinsey Award Winners	496	360
1.101	Philosophy of Business Part I	496	385
1.102	Philosophy of Business Part II	496	385
1.111	Small Business Part I	496	385
1.112	Small Business Part II	496	385
1.113	Small Business Part III	496	385
1.121	Public Relations	475	330
1.132	Public Policy and Private Enterprise	—	440
1.133	Legal Issues in Doing Business	655	—
1.134	Rethinking Business Government Relations	—	440
1.141	Board of Directors Part I	475	360
1.161	Strategy and Tactics in Mergers	—	385
1.181	New Worlds for Business	475	360



PART II	**ORGANIZATIONAL BEHAVIOUR**		
2.011	Case Method Part I	475	360
2.012	Case Method Part II	475	360
2.013	Case Method Part III	475	360
2.021	Conflict & Co-operation in Management	496	—
2.022	Dealing with Conflict	—	440
2.023	Coping with the Difficult Employee	—	440
2.031	Executive Compensation Part I	—	330
2.032	Executive Compensation Part II	475	330
2.041	Executive Development Part I	475	330
2.042	Executive Development Part II	475	330
2.043	Executive Development Part III	475	330
2.051	Executives in Mid-Career	475	360
2.060	Harvard Business Review on Human Relations	460	—
2.061	Human Relations Part I	475	360
2.062	Human Relations Part II	496	360
2.063	Staying on Top of the Job	—	440
2.071	Equal Opportunity in Business	496	360
2.081	Motivation Part I	—	330
2.082	Motivation Part II	—	330
2.091	Organizational Development Part I	496	385
2.092	Organizational Development Part II	496	385
2.093	Organizational Development Part III	496	385
2.094	Organizational Development Part IV	—	385
2.111	Personnel Management Part I	510	385
2.112	Personnel Management Part II	510	385
2.113	Personnel Management Part III	510	385
2.121	Renewing the Will to Work	496	360
2.161	Executive Power -- its Use and Misuse	475	—
2.171	Employee Rights and Employer Programs	535	—
2.181	What's the Future of Labour Relations?	496	360
2.191	When the Executive is a Woman	—	440
2.201	Managing to Save Time	—	440
PART III	**MANAGERIAL ECONOMICS: QUANTITATIVE APPROACHES TO DECISION MAKING**		
3.011	Statistical Decision Part I	450	345
3.012	Statistical Decision Part II	450	345
3.013	Statistical Decision Part III	450	345
3.014	Statistical Decision Part IV	450	345
PART IV	**MARKETING**		
4.012	Marketing Planning & Strategy Part II	475	360
4.015	Marketing Planning & Strategy Part V	475	360
4.016	Marketing Planning & Strategy Part VI	475	360
4.017	Marketing Planning & Strategy Part VII	—	360
4.031	Understanding and Meeting Consumerism's Challenges	496	385
4.051	Product Policy for Consumer Goods Companies	570	—
PART V	**FINANCE**		
5.011	Capital Investment	—	360
5.022	Finance Part III	—	360
5.023	Finance Part IV	—	360
5.041	Pension Management	475	330
PART VI	**INTERNATIONAL**		
6.011	International Business	475	330
6.021	Managing the Multinationals	545	385
PART VII	**PLANNING AND CONTROL**		
7.012	Computer Management	496	—
7.014	Managing and Using Computers Part II	—	440
7.021	Control Part I	496	385
7.022	Control Part II	496	385
7.023	Control Part III	496	385
7.031	Forecasting	475	—
7.041	Management Information Part I	—	360
7.042	Management Information Part II	475	360
7.043	Management Information Part III	—	360
7.053	Planning Part III	496	385
7.054	Planning Part IV	496	385
7.055	Planning Part V	—	385
PART VIII	**PRODUCTION AND OPERATIONS**		
8.021	Production Management Part I	496	385
8.022	Production Management Part II	496	385
8.023	Production Management Part III	496	385
8.024	Manufacturing: Reconsidering Old Solutions	—	440
8.025	Behind the Productivity Headlines	655	—
8.031	R&D Management Part I	496	385
8.032	R&D Management Part II	496	385
8.033	R&D Management Part III	496	385
8.051	Service Management	—	330
8.091	Shop-Floor Management	—	440

P.S.: Don't forget — this is a tax deductable expenditure.

Note: 1. Add 10% to the total price for Air freight charges from U.S.A. to India on subject parts orders

2. Air freight charges free on full set orders. A saving of over Rs. 5,000/-.

3. Full set can be supplied in a combination of Hard Bound/Soft Cover also.

You may purchase any combination of individual volumes.

AVAILABLE IN READY STOCK AT:

ADVANCED MANAGEMENT INSTITUTE

19, Nariman Bhavan,
Nariman Point, Bombay 400 021
Phone: 2022356/2024192
Telex: 1185132 HRVD IN
Fax: 0091 22 2026547

The Harvard Business Review Library

FINALLY, A SOFTWARE FOR THOSE WHOSE IDEA OF COMPUTERS CAN BE SUMMED UP IN A WORD.



The first thing you notice about this rather unconventional software is that it operates in a funny language. **E**nglish. **G**oodbye complicated codes. Goodbye Foxbase. Goodbye Cobol. **W**hich means even the most computer-unfriendly person can operate it with relative ease. **Y**ou don't have to change your accounting methods. What you see up there on the screen are your books. **S**o while you have the comforting familiarity of your ledger, you have the speed and accuracy of the software as well. **T**he other features are no less remarkable. Touch a key and you can inspect all your accounts down to the last voucher. If there are any errors, go ahead and correct them. **W**ith Tally, you can keep books of unlimited companies. Handle unlimited ledgers and sub-classifications. Cost & profit centres. Budgets & transaction controls. What's more, it can generate over 300 MIS reports. **N**ow consider the diversity of the 1200 people who use it. Right from RPG Enterprises and The UB Group to the likes of chartered accountants, traders and transport companies. **T**he last we heard, even Mr. Prannoy Roy had bought one. **I**t's not surprising when you consider that it has the back-up of a support network. **T**ally. **I**n a word the most articulate financial accounting software.

☐ We own a Computer
☐ We intend to buy a Computer

Name :
Company :
Address :
Ph :

Tally

All Trademarks are acknowledged.

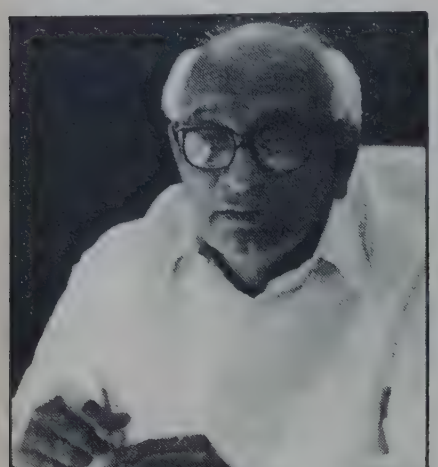
Developed by
PEUTRONICS
404 House of Lords,
St Marks Road,
Bangalore-560001
Ph: 211477, 531314

AUTHORISED REGIONAL CENTRES : JL COMPUTER SERVICES, 3 LAUREL LANE, **BANGALORE** 560 025, PH 214939 ■ PEUTRONICS, A401 ADELPHI, SASTRI NAGAR ANDHERI WEST, **BOMBAY** 400 058. PH 6270627 ■ GAINWEL INTERNATIONAL PVT LTD, 18 B T KHAN ROAD, **CALCUTTA** 700 027. PH 287315, 289344 ■ SERVEL ELECTRONICS PVT LTD. 4844A GOVIND LANE, ANSARI ROAD, 24 DARYAGANJ, **DELHI** 110 002. PH 3261965 ■ CAUVERY SOFTWARE AND SYSTEMS, 14 OLIVER ROAD, MYLAPORE, **MADRAS** 600 004. PH 71283

ECONOMY

Up-front charge introduced

Term lending institutions have decided to abolish commitment charges and replace it with an "up-front" or "front end charge" as is the practice internationally. An up front charge is a one time payment



required to be made by borrowers before disbursal of the loan starts.

Also, the institutions have decided to impose a minimum export obligation for export-oriented units to become eligible for interest rebate. These initiatives are being taken to bring the earnings of financial institutions level with the cost of operations of these bodies.

Gold imports cut

The Union government has decided to stop the import of primary gold in order to save foreign exchange. Instead, it has decided to release smuggled gold seized by enforcement agencies to meet the exporters' requirements.

With this decision, the government hopes to save around Rs.250 crore in foreign exchange annually. The State Bank of India is being asked to release the seized gold.

Reservation ceiling

The Centre is working to keep the overall reservation for the various categories to 50 per cent without diluting the 49.5 per cent earmarked for the scheduled castes and tribes. This exercise is to ensure that the Mandal Commission report is not struck down by the Supreme Court on the ground that reservations *per se* cannot exceed the 50-per-cent mark.

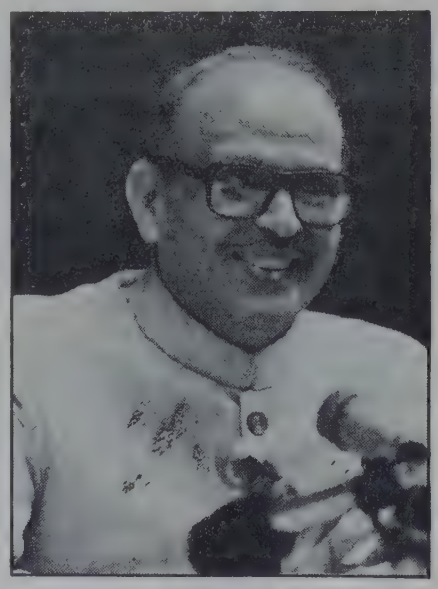
The Centre is considering various statistical combinations and the possibility of linking existing reservations for the handicapped, freedom fighters and others.

Scheme for small sector

The Union government is planning to introduce the capital investment subsidy scheme exclusively for the small sector. The small sector will now be identified in backward blocks instead of the district level as practised earlier.

Price rise ignored

The Planning Commission has decided to drop the controversial issue of rise in prices from the agenda of the National Development Council (NDC) meeting scheduled for 11 Octo-



ber. The NDC will now only discuss the Gadgil formula. The price situation and the draft agricultural policy have been dropped at the instance of prime minister V.P. Singh, due to serious reservations over the draft policy.

Official circles, however, interpret this as the government's reluctance to face this highly sensitive issue.

Curb on raising capital

The finance ministry has proposed not to allow any finance or leasing company to raise capital from the public unless it has been working for at least three years. The three-year waiting period has been introduced to ensure that only sound finance or leasing or financial service companies will be allowed to raise money from the public.

Investment fund mooted

The government is considering a proposal to create a common "public investment fund" by taking deposits from cash rich public sector units. As an incentive, a reasonable rate of interest on the deposits will be given to the contributors.

The Planning Commission envisages that the surplus generated by some enterprises during the Eighth Plan may be in excess of their investment allocations. The fund is being considered with a view to curb the tendency among surplus generating units to fritter away their excess funds and to enable the diversion of such funds to the priority sector.

Sick PSUs for private sector

The Union government is considering the sale of five sick public sector undertakings to the private sector. Two other sick units will be merged with the Bharat Business International Corporation of India (BBIL). These seven enterprises have been making consistent losses throughout the eighties. Suitable incentives are being worked out to facilitate private sector takeovers of these units.

Two options being considered were: to revive the units within the public sector where possible or to sell them to the private sector. It appears that the latter option has been taken up.

CORPORATE

Vam Organics to expand

Vam Organics Ltd propos increase its manufact capacity at its chemical plex in Gajraula, UP. company has asked for go ment approval to set Rs.20 crore project to m facture of diketone de tives. The company's Gaj complex is the country's gest alcohol- based che complex. The new invest is expected to yield a turn of Rs.60 crore.

Offer to buy Vayudoot

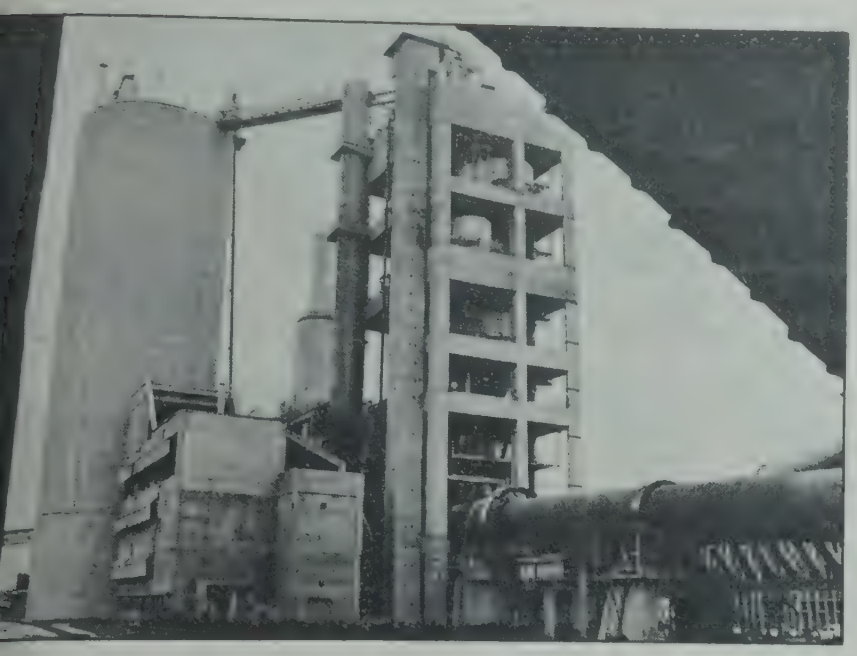
Jagson International Lt Delhi-based group, has an offer to the civil avi ministry to buy the asse Vayudoot Ltd. Jagson, w has a licence to operate taxi services, is looking fo craft. The company feels Vayudoot aircraft coul used and operated by pr sector companies. The R crore Jagson group is e lished in the oil sector a diversifying into assoc fields.

Gas agreement

Nagarjuna Fertilisers Chemicals Ltd (NFCL) signed a contract with Ga thority of India Ltd (GAI the supply of natural gas fertiliser plant in Kaki GAIL is laying a 100 km line from Tatipaka in Krishna-Godavari basi Kakinada, and the gas w made available by July NFCL's will be the first based fertiliser plant t commissioned in south I The plant will require 1.3 lion cubic metres of gas day.

L&T's new projec

L&T has plans to trebl capacity by setting up new cement plants ar



inding unit in Gujarat, MP, P and Orissa. The expansion ll involve a capital outlay of .550 crore. Of the three ce- ent plants, the two in MP d Gujarat will have a capac- of 1.1 million tonnes. The ant in Pipavav, Gujarat is to a 100 per cent export ented unit. L&T has eady tied up with Swiss and nish firms for the projects.

CF plant launched

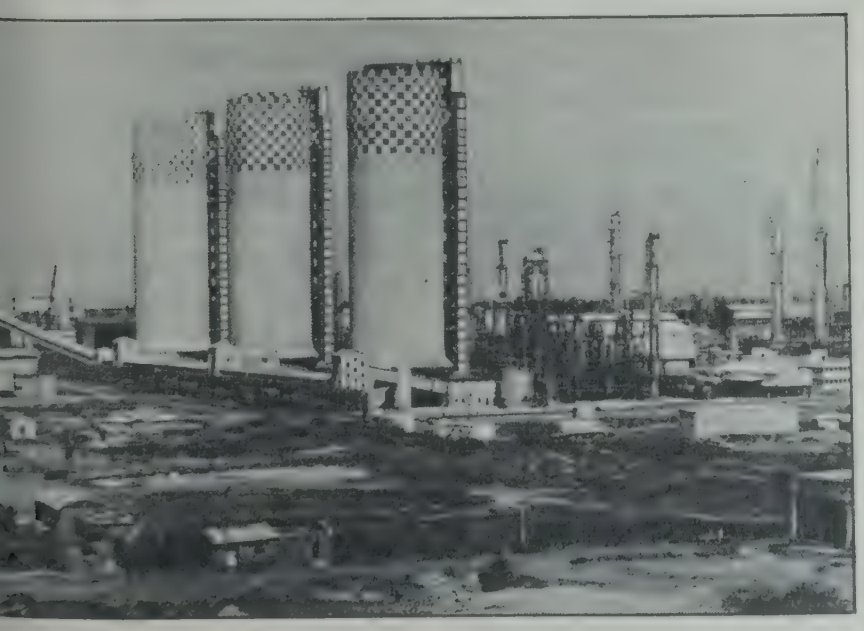
shtriya Chemicals & Ferti- ers Ltd has launched a reha- itated ammonia plant. The ant, which was not function- g at full capacity as it was l, has been revamped. The al investment for the re- mp was about Rs. 65 crore. e rehabilitated plant is esti- ated to reduce energy con- mption by about 35 per cent d the cost of production by ound Rs.900 per tonne.

Exim Bank bonds

Exim Bank is to enter the market with its eighth series of bonds for a notified amount of Rs.58.20 crore. The bonds, redeemable at par, carry an interest of 11.5 per cent payable half yearly and bearing a maturity period of 20 years. The bank has the option to retain excess subscription up to Rs. 64 crore. The government has guaranteed the repayment of principal and interest on the bonds. The funds will be used to augment the bank's general resources for financing Indian exports, focusing on non-traditional manufactured exports.

Bridge & Roof's plans

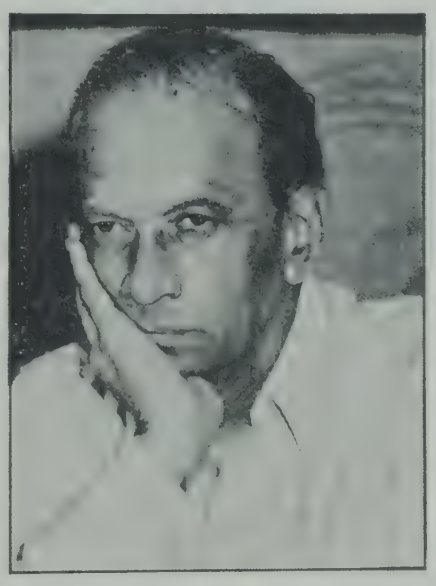
Bridge & Roof, the public sector engineering firm, has plans to diversify into many areas. They have already started bidding for tenders for the hi-tech induced draft cooling towers. The company has been sanctioned Rs. 10 crore for its diversification plans. They have also started producing marine freight containers at their works in Howrah. Other areas earmarked for diversification are road construction, pollution control programmes and laying of cross country pipelines.



INDUSTRY

Plea turned down

The Union minister for petroleum and chemicals, M.S. Gurupadaswamy, has stated that manufacture of drugs and pharmaceuticals under the loan licence scheme will be allowed only up to December 1991.



The minister said this while addressing members of the Organisation of Pharmaceutical Producers of India. The industry had been pleading for continuation of this scheme as it had become an integral part of the functioning of the industry.

WB glass units face closure

All glass manufacturing units in West Bengal face the prospect of closure as a directive by Coal India will virtually cut off coal supply from the Eastern Coal Fields.

Coal India had recently announced a retrospective 50 per cent cut in quotas of consumers who transport coal from the collieries by road. The directive also said that all coal supplied in excess of the stipulated 50 per cent between January and September this year would be adjusted from October onwards.

A spokesman of the Eastern India Glass Manufacturers' Association said nine affiliated units in the state would be forced to close down after-Diwali, affecting about 6,000 workers. About 14 other units would also meet the same fate later without supply of coal.

PSF war hots up

The war between spinners and polyester staple fibre (PSF) manufacturers over the price of PSF has escalated recently.

The Indian Spinners' Association (ISA) has alleged that PSF producers have formed a cartel and hiked the prices to an unreasonable Rs.77 a kg. The Association of PSF manufacturers, on the other hand, has argued that the price of inputs — PTA, DMT and MEG, both domestic and imported — have risen considerably, forcing them to hike the cost of PSF.

Move against fake steel

Reputed manufacturers of stainless steel items have launched a crusade against the increasing use of cheap, sub-standard stainless steel raw material by the industry.

Voicing the manufacturers' concern, S.K. Desai, president of the All- India Stainless Steel Industries Association, has appealed to Nathuram Mirdha, Union minister for civil supplies, and the chairman of Bureau of Indian Standards to prevent the use of fake stainless steel in the manufacture of utensils and other items.

The association has also cautioned well-known alloy steel companies against sup-



...Gift a Cruiser.

On corporate/bulk orders we screen print your Company logo free of charge or also incorporate specially made emblems, monograms in lamination and other finishes as per your specifications.

For further inquiries or a personal visit from our representative please call or contact:

CRUISER

GIFT SETS

28, Sainath Industrial Estate,
Goregaon (E), Bombay-400 063.
Tel: 695773/690335/699589.
Fax No.: 91-22-6400128
★ Hyderabad Tel: 47211 ★ Delhi Tel: 5734921
★ Ahmedabad Tel: 334254 ★ Jaipur Tel: 561600
★ Madras Tel: 569284/422873 ★ Bangalore Tel: 258936

Memorable Creations for Memorable Occasions.

Diason/CP/02/90

ying sub-standard stainless eel to the user industry.'

ayment to coffee rowers

ne Coffee Board has declared final supplementary pay- ent of 43 paise per point to th large and small growers r the season 1984-85, taking e cumulative payment to s 9.03 per point.



The board had declared a yment of 25 paise per point June 1987 for 1984-85. The cision for the final sup- ementary payment was ken at a board meeting in ptember.

ement ansportation plant

ne cement industry will have first ever bulk transporta- n plant at Kalamboli, Bom- y. The estimated cost of the ant is Rs.80 crore.

Expected to be ready in ree years, the plant will help e industry save crores of pees every year spent in ansportation by bags. The orld Bank has sanctioned 300 million for the plant.

GS to probe unker surcharge

ne Directorate General of ipping is to investigate the imposition of bunker surcharge by shipping lines.

This follows complaints from shippers that the high rates of bunker surcharge imposed by shipping lines in the wake of the Gulf crisis is unjustified. Shippers say that the rates have no relevance to the actual increase in fuel costs.

According to the Western India Shippers Association, in the west, shipping lines need an approval from the maritimetribunal to impose a bunker surcharge, but in India the surcharge is imposed unilaterally.

Curb money supply

The Federation of Indian Chambers of Commerce and Industry has stated that in order to maintain prices at a manageable level, expansion of money supply should be restricted to 12 per cent per annum. It felt that the faster growth of money supply over production was a major factor in the current price rise. Also, the federation said, the budgetary deficit must be brought down to under 2 per cent of the gross national product.

Huge VFY stocks

Viscose filament yarn (VFY) units are holding huge unsold stocks owing to a continuous declining trend in prices and difficulty in selling their entire production.

Addressing the third annual general meeting of the Association of Man- made Fibre Industry, its president, Indu Parekh, said that while the market price of VFY this March was around Rs.191.95 per kg, it went down to Rs.127. 69 by end-August.

Industry sources feel the units will be unable to absorb such a heavy reduction in market price on account of substantial escalation in input costs.

HR steel sheets shortage

Nearly 2,000 small and medium scale units using hot rolled (HR) steel sheets for manufacturing various products are on the verge of closure due to non- availability of HR steel sheets in the market.

Among the items these units produce are steel pipes, containers, automobile components, bodies for buses and lorries, cable trays, cold rolled sections and general fabrications. Scarcity of HR sheets has already forced many small and medium scale units in Gujarat, Karnataka, Andhra Pradesh and Tamil Nadu to close down.

ISTMA membership restricted

The Indian Soap and Toiletries Makers' Association has amended its articles of association to restrict membership to manufacturing units registered with the Directorate General of Technical Development (DGTD).

Industry sources regard this as a move to exclude small soap makers from the association. However, the government recently made a proposal to organise small scale detergent manufacturers into a market consortium to help combat the market clout of large units.

LABOUR

Bonus for civilians

Civilian employees of the defence ministry will get a productivity linked bonus for 1989-90. The bonus for the employees in the army ordinance corps, electrical and mechanical engineers, navy and air force will be equivalent to 40, 36, 34, and 40 days' wages, respectively.

Welfare budget hiked

A welfare board to represent the 675,000 people employed in the coal industry has been set up by Coal India Limited (CIL). Its members comprise employees of CIL and its subsidiaries and several trade unions, including INTUC, CITU and AITUC. The budget for workers' welfare has increased from Rs. 6.1 crore in 1974-75 (immediately after nationalisation of the industry) to Rs.400 crore.

Miners strike work

Mining at South Eastern Coalfield's (SEC) Lajkura open cast mines in Orissa has been paralysed since 12 September due to an agitation by miners. This has affected loading and trans-

Some of the world's most active people spend half their lives sitting.



Wood Carver activity chairs help you keep pace.

Now, you can conduct your activity in great comfort with Wood Carver's activity chairs.

Scientifically crafted and ergonomically designed, Wood Carver's activity chairs are available in a range of shapes and colours.

Choose from over 40 options. Chairs for Chairman, Chief Executives, Visitors, Staff, Computer Rooms...



WOOD CARVER

ACTIVITY CHAIRS

Homi Modi Cross Street, Opp. Stock Exchange Post Office, Fort, Bombay-400 023. Gram: 'Anandwood' Phones: 274480/274864
Pune Showroom: WOOD ANNEX, 218, Sterling Centre, 11, Mole Dina Road, Opp. Arora Tower, Pune-411 001.

Authorised dealers: MADRAS: M/s. Arvee & Company, Sri Sankara Hall, 267, Mowbrays Road - 600 018. Tel: 453125. NAGPUR: M/s. Regency Decor, Prakash Palace, Near Dhantoli Park, Nagpur - 440 012. LUCKNOW: M/s. Kaysons Furnishing, 48, Hazratgang - 226 001. Tel: 48200/33836. JAMSHEDPUR: M/s. B.D. Mehta & Sons, Opp. Ram Mandir, Main Road, Bistupur - 831 001. Tel: 29773.

tation, and has resulted in reserve loss of about Rs.9 h a day for SEC. Lajkura, e of SEC's largest open cast nes, produces about 6,000 nes of 'F' grade coal a day. neration by power plants in mil Nadu, Karadi in harashtra and Kolaghat in st Bengal will also be ected as they use coal from jkura.

MMS demand

e Rashtriya Mill Mazdoor ngh (RMMS) has decided to mand more bonus for work- s from mills whose profits ve risen over last year's. e RMMS has begun check- g the accounts of several lls and will begin negotia- ns immediately.

nemployment dole

e Central government has proved the implementation an unemployment dole ogramme. Under it, those



excluded from the National Rural Employment Guarantee Programme (NREGP), which was launched in 50 districts in India, will be given an unemployment dole of one-third the minimum wages. The NREGP is to start in the current financial year and, when fully implemented, is expected to generate 3,000 million man days of work. In its first phase, the programme will be introduced in districts with greater poverty and unemployment.

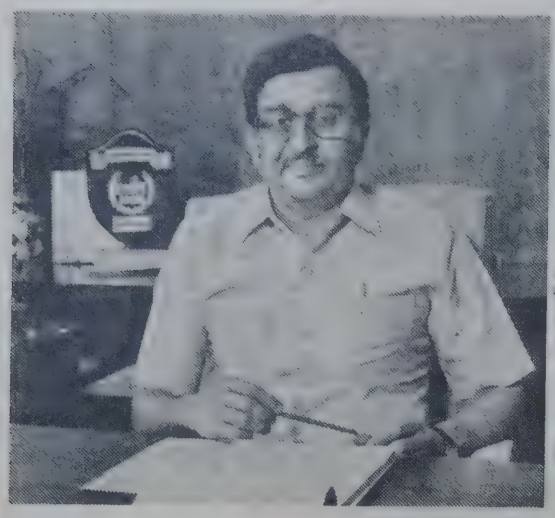
Bonus upped

Maharashtra government employees drawing a basic salary up to Rs.1,800 a month will get a bonus equivalent to 27 days' salary for 1989-90. This announcement by chief minister Sharad Pawar brings the bonus of the state's employees on par with those of the Central government. Nearly 80,000 employees will be paid the bonus, which will cost the state Rs.122 crore.

IARY

DATE	SUBJECT	ORGANISER	VENUE
29 to 30 October	**Marketing to defence**	Institute of Marketing and Management Sujan Singh Park, New Delhi 110003 Ph: 699224	Hotel Hyatt Regency, New Delhi
29 October to 1 November	**Transactional analysis for managerial and organisational effectiveness**	Xavier Institute of Management, Bombay	Bombay
29 October to 2 November	**Services marketing**	XLRI, Jamshedpur 831001 Ph: 238889	XLRI, Jamshedpur
29 to 31 October	**New Industrial policy and export-import policy, procedures and incentives**	Madras Management Association Ph:475800	Connemara Hotel, Madras
29 to 31 October	**Improving manufacturing performance**	Himachal Productivity Council, Shimla 171002	Parwanoo, Himachal Pradesh
30 October to 2 November	**Trade union leadership development**	Shri Ram Centre for Industrial Relations and Human Resources, New Delhi 110055 Ph: 519064	Hotel Taj Palace, New Delhi
2, 5, 7 November	**Stores management**	Indian Institute of Materials Management, Madras	MMA Auditorium, Madras,
5 to 17 November	**Managerial effectiveness**	Centre for Organisation Development, XLRI, Jamshedpur	XLRI, Jamshedpur

GSFC CHAIRMAN'S STATEMENT



Shri H.R. Patankar

The following is the text of Statement made by Shri H.R. Patankar, Chairman, Gujarat State Fertilizers Company Limited at the Twenty-Eighth Annual General Meeting of the Company held on the 21st September 1990 at the Registered Office of the Company.

CHAIRMAN'S STATEMENT

Ladies & Gentlemen,

I welcome you at this 28th Annual General Meeting of your Company. The Annual Accounts and Directors' Report for the year 1989-90 are already with you for sometime and with your permission I take them as read.

ECONOMIC SCENARIO

Political and economic environment play an important role in the performance of any industrial unit, and this environment has been favourable. The budget for the fiscal year 1990-91 envisages welcome features such as reduction in corporate tax to 40%, abolition of the levy of tax on book profits, rationalization of tax structure in general, further liberalization of the industrial licensing and controls announced through the new industrial policy which immensely reflects pragmatism, realism, innovativeness and boldness of leadership.

We hope that the process of liberalization initiated by the Government will enable the industrial sector to register a higher growth rate than envisaged in the Eighth Five Year Plan and will enable the country to emerge as a great industrial power in the new century.

Monsoon has also been kind and the excellent rains will give a boost to agricultural production and consequently to the sale of fertilizers. True, heavy rains in various parts of Gujarat have caused widespread damage and adversely affected some areas, but the rains have certainly removed the anxiety about the shortage of drinking water in the State.

INTERNATIONAL BACKDROP

The revolutionary changes in the economic situation in Eastern Europe will have impact in the other parts of the world including India. I can assure you that your Company Board and Management are fully aware of the changing scenario and will take necessary measures to adjust itself to the new climate.



SCALING NEW HEIGHTS IN PRODUCTION

You will be glad to know that your Company has continued its excellent track record in production performance during the year 1989-90. Your Company's fertilizer production at the Vadodara complex has been of the order of 9.19 lakh tonnes of fertilizers against 8.45 lakh tonnes of the previous year. This would work out to as high a capacity utilization as 131% against 119% of the previous year. As you know your Company's Sikka Di-Ammonium Phosphate (DAP) Plant is based on imported Ammonia and Phosphoric Acid, which are canalized through Government agencies. Unfortunately, there was difficulty in import of these vital raw materials and, therefore, the Plant had to remain closed for about six and half months and consequently this Unit incurred heavy loss during the year under report. As a result of non-availability of Ammonia and Phosphoric Acid, the Sikka DAP Plant could not operate on more than 55% of capacity utilization. If these raw materials were available on a regular basis, your Company's performance would have been still better.

You will be happy to know that your Company's Polymer Unit has improved its performance considerably and started contributing to the overall profitability. This is indeed a good augury for the future of this Unit.

A NEW BENCHMARK IN TURNOVER

You will be happy to know that your Company has added a new feather to its corporate performance by achieving the highest ever record turnover of Rs. 682 crores for the year ended 31st March, 1990 against the annualized turnover of Rs. 541 crores for the previous year 1988-89 and has registered an increase of around 26%. Your Company's total fertilizer sales for the year under review were around 12 lakh tonnes, an all time high against 10.15 lakh tonnes of the previous year. Similarly, the total sales of industrial products were over 2.54 lakh tonnes as against previous year's 1.12 lakh tonnes.

Your Company's performance during the six months of the present year has been very satisfactory and looking to the operating efficiency of various plants, it is hoped that your Company will be able to surpass the last year's turnover and be able to achieve the target of the total turnover of Rs. 750 crores.

RETENTION PRICE

Last year, I had told you about significant changes in the norms of depreciation and capacity utilization in fixing the retention prices for fertilizer for the 5th pricing period which began from 1.4.1988. As you know, your Company's Sikka Plant has been adversely affected under the revised formula of retention price mainly on account of lower depreciation charge and increase in operating hours per annum. However, your Company alongwith other manufacturers had represented against the changes in the norms of the retention prices and you will be glad to know that the Government of India has since relaxed the depreciation norms from 20 years to 15 years for new plants commissioned after 1982. So far as the Sikka Plant is concerned, no relaxation has so far been given in the norms of capacity utilization applicable to it. However, your Company has been pursuing the matter to get relaxation in this respect too.

BONUS SHARES

As you know, your Company has been doing very well from year to year and sharing its profits with the shareholders through sustained dividend and allotment of bonus shares from time to time. Last year also your Company has maintained the dividend at 30% which is the highest in the fertilizer industry. In addition, subject to your approval, your Company has decided to allot bonus shares to the shareholders in the proportion of 3 bonus equity shares for every 10 existing equity shares held by them. Your Company is wedded to the policy of sound financial management through plough back and internal generation of funds and it is due to the judicious implementation of this policy over a period that your Company has been able to make steady and sound progress. In the context of this philosophy, you will appreciate and welcome your Company's decision to declare bonus shares for the fifth time since its inception.

MERGER OF GUJARAT NYLONS LTD.

You are aware that your Company intends to merge Gujarat Nylons Ltd. (GNL) with it and the matter is being pursued vigorously. The Gujarat High Court has issued orders for convening of the meetings of GNL and GSFC shareholders on 7th October, 1990 at Kharach and Fertilizernagar respectively. In the proposed scheme of amalgamation, the exchange ratio of share will be issue of One fully paid equity share of Rs. 10/- each of GSFC to the shareholders of GNL holding Eight fully paid equity shares of Rs. 10/- each in GNL. The merger is proposed to be made effective from 1.4.1990 and accordingly, the shareholders of GNL, who receive GSFC shares in exchange of GNL shares would be eligible for all benefits of GSFC in respect of dividend for the year 1990-91 as also bonus shares. The scheme of amalgamation is mutually beneficial to the shareholders of GNL and GSFC. At present, though GNL is a subsidiary of your Company, difficulties have been experienced in making available to GNL their full requirement of Caprolactam from time to time. If sufficient quantity of Caprolactam is not available to GNL, its production will suffer. On the other hand, GSFC is interested not only in maximizing its sale of Caprolactam but also looking for further expansion particularly in the Petrochemical field. The GNL location for such expansion is ideal in the context of various petrochemical plants coming up in South Gujarat. Also, the scheme is beneficial to your Company from the point of view of taxation and other angles. The financial institutions have also expressed their desire in favour of the merger. It is, therefore, felt that the merger of GNL with GSFC would be rewarding in the ultimate analysis and pave the way for further industrial growth in the State.

GSFC INVESTMENT AND LEASING COMPANY

Your Company has been expanding and diversifying in different fields for the last many years. But you will agree that your Company has a social obliga industrial development from a wider Company is committed to pro entrepreneurships and setting up sm ventures based on the GSFC products. In care of the investments in new schem projects, your Company has promoted and a new Company in the name of 'GSFC In Leasing Company Limited' (GILC). This be a wholly owned subsidiary of your Com that purpose it is proposed to invest upto the equity share capital of the new Compa appropriate approvals. Your Company wi necessary guidance, expertise, tech managerial assistance and also equity pa existing and prospective entrepreneurs wh up small projects based on the raw mater and related chemicals. It is hoped that the a new dimension and direction to develop and ancillary units in the State.



EXPANSION AND DIVERSIFICATION PRO

As you are aware, your Company had tak 1200-crore expansion and diversification p Since last year the position has been review Company has considered it desirable to ad projects in this programme. As a result of the new projects, the proposed investme programme is now estimated to be aroun crores. In the earlier stage, your Com implemented the Coastal DAP Plant at Sikka Yarn Plant and the Co-generation of Steam Plant. The first phase of Caprolactam expans implementation and preliminary work for expansion has started. Subsequently, new pr as Sulphuric Acid expansion, Phosph expansion at Sikka and Phase-II exp Caprolactam are also added in the corpor plan.

PROGRESS ON CAPROLACTAM EXPANSI

Your Company is holding a Letter of Caprolactam Plant of 1 lakh MTPA. Thi envisaged to be set up in two phases of 50, each. As I told you, work on 50,000 MTPA Ca Plant is progressing satisfactorily. While expansion of 50,000 MTPA Caprolactam progress, your Company has already initiated setting up the second phase of expansion MTPA and a Memorandum of Understanding signed with the concerned foreign Compa expansion will be economical. We have ap Government of India for necessary permissi and also International Finance Corporation, W and Financial Institutions for their concurren



CO-GENERATION OF STEAM AND POWER

You will be glad to know that your Com successfully commissioned the second phas generation of Steam and Power scheme costin Rs. 39 crores. The first phase of 15 MW power g was commissioned in early 1989 and the second 25 MW was completed in the early part of this total cost in both the phases has been arou crores. The co-generation of Steam and Powe has been a part of your Company's energ

GSFC–Expanding New Horizons

ramme and it would contribute to your Company's eliance in the power generation. As a result of this ct, your Company's dependence on the GEB would bstantially reduced and power to the extent of 35 could be released to other needy industrial units in tate. The energy bill which was Rs. 7 crores per h has now come down to about Rs. 5 crores.

SULPHURIC ACID PLANT

are aware that your Company had earlier set up Sulphuric Acid Plants; one in 1967, second in 1974 the third in 1981 with a view to meeting the asing requirement of Sulphuric Acid for captive umption as well as industrial consumption. To meet sing demand of Sulphuric Acid and also to augment upply for captive consumption in view of the new cts coming up, your Company has decided to set up v Sulphuric Acid Plant with a capacity of 1000 MTPD estimated cost of Rs. 55 crores. The formalities of a key contract have been completed and the work will mence soon.



AMINE PLANT

Company has at present a Melamine Plant which is irst of its kind in the country. Over a period the and for Melamine in the country has gone up iderably and the entire capacity of 5,000 MTs of this is not sufficient to meet the demand in the country. rnment of India has permitted your Company to rt 1500 MTs of Melamine and 432 MTs have been rted and for balance quantity arrangements are g made to import as early as possible. Your pany has, therefore, decided to take up the nsion of Melamine capacity from 5,000 MTPA to 0 MTPA.

ARAT INDUSTRIES POWER COMPANY LTD.

nown to you, your Company had taken a lead in oting the Gujarat Industries Power Company Ltd. CL) with other participants—GACL, Petrofils, IPCL GEB. The total estimated cost of this project is ated to be Rs. 200 crores and it will generate 135 f power. In commensurate with the investment of Company in this project, it will get about 40 MW r which would be a great boost to your Company in ving self-sufficiency. This project has made iderable progress on all fronts. It is expected that irst gas turbine may be commissioned in October and the remaining turbines in a phased manner after. Your Company has always initiated new epts in agriculture and industrialization and the L, a novel joint sector power enterprise, is the first kind in the country.

ER PROJECTS

entioned earlier, your Company has added some projects of vital importance and diverse interest to xisting and on-going expansion and diversification ramme. Your Company has decided to put up a new phoric Acid Plant with a capacity of 2.5 lakhs MTPA. production of 1 ton of Phosphoric Acid, we require ons of imported raw materials—about 3½ tons of Phosphate and 1 ton of Sulphur. It is, therefore, to onsidered whether we import these raw materials make Phosphoric Acid in India or import Phosphoric itself. Therefore whether the project should be put Sikka in Saurashtra or in some foreign country is r the consideration of the Company. A decision will ken in consultation with the Government of Gujarat Government of India as well as Financial utions. Your Company's Coastal DAP Plant at Sikka d not operate to its full capacity because of erratic supply of imported Phosphoric Acid. Your Company's decision to put up a Phosphoric Acid Plant would, therefore, enable the Company to achieve self-sufficiency in this vital raw material. The estimated cost for this project is around Rs. 300 crores.

At present, your Company has three Ammonia Plants with a total capacity of 1050 MTPD. In view of the massive expansion programme, more Ammonia will be required for the manufacture of different products. Moreover, these Plants which were set up many years ago need to be replaced. Your Company has, therefore, decided to set up a 1350 MTPD capacity Ammonia Plant at Fertilizernagar at an estimated cost of around Rs. 400 crores.

R & D ACTIVITIES

As you are aware, your Company places emphasis on research and development and their applications. In the broad based and modern facilities at GSFC Research Centre, our scientists are carrying out intensive research in agro and industrial chemicals, polymers, waste utilization process, biotechnology, corrosion and materials. During the year, arrangement for technology transfer of a newly developed mineral reinforced nylon and other polymers from indigenous minerals was completed. Progress was made on a new acrylic thickner development and trials as a substitute for kerosene in textile industry. This year our scientists have successfully commissioned a pilot plant for Xylitol from sugarcane bagasse. This product is a high value substitute for sugar and now a process package is under preparation. Similarly, intensive work on process development for bio-insecticides which are very promising under Indian conditions, was carried out with great vigour and field testing has been taken up. Work on high value polymeric membranes and setting up of a demonstration plant to get fresh water from sea water in Sikka has made good progress. Work is also in progress for establishing a unique multi-purpose fertilizer R&D facility for carrying out new developments and formulations.

It is planned to increase our R&D activities and establish centralized facilities to keep pace with expanding operations of the Company.

ENVIRONMENTAL CONTROL AND SAFETY

Both environmental control and industrial safety are important aspects of productivity and your Company has given top priority to these two activities. Your Company has implemented a variety of schemes to minimize liquid and aerial pollution and is maintaining the parameters to ensure compliance with statutory requirements. The fact that your Company has so far spent over Rs. 12 crores on different environmental control projects testifies to its anxiety for maintaining the ecological balance.

Your Company is also considering to set up a Foundation for Environmental Research, Educational Information and Eco-regeneration.

It has an enviable record of safety performance and it has received several Safety Awards at National and International levels.

FARM SERVICES & COMMUNITY RELATIONS

As part of its social obligations, your Company, since its inception, has remained committed to prosperity of the farmers, welfare of the rural community and promotion of sports. Apart from having a well-knit network of Farm Information Centres, Area Offices and Regional Offices all over the country, your Company provides an extensive package of farm and promotional services to farmers at their doorstep in terms of education and development in scientific agriculture and modernization of farm practices. Besides rendering the basic services of soil and water testing and management of various agro inputs, special projects are implemented with a view to achieving well-defined goals specific to different areas, status of the farmers and the agro-climatic conditions of farming. The main thrust has been to implement innovative methods and modern techniques, transfer of agro technology from lab to land, ensure higher productivity of crops through development of culture like bio-fertilizers and its commercialization by way of widespread experiments and applications. Attention is also given to building up the future generation of farm youths by imparting training under a well-geared agro training programme and the further dissemination of such training through establishment of a network of Farm Youth Clubs in the villages. Also, utilization of conventional source of energy is encouraged through promotion and construction of Gobar Gas Plants in the rural areas.

Community relations is the basis of goodwill prevailing between the surrounding villages and your Company which has remained in forefront in helping the public causes initiated in the villages. Your Company has helped financially in building roads, constructing of school rooms, buying medical equipment for primary health centres, giving jobs to youths of the land losers and creating such other facilities as required in the villages. Your Company remains in constant touch with the villagers and tries to ameliorate their hardships to the extent possible. It also provides jobs on daily wages to the poorer people from the rural areas through contract agencies. Even preference is given to villagers by entrusting small contracts for carrying out certain jobs As a result, your Company has been able to establish an excellent rapport with the rural folks of the neighbouring villages and to create in them a sense of belonging for your Company.

SPORTS

Although promotion of sports has assumed great importance in industry only lately, your Company has been a pioneer in this field as it has been making efforts to promote sports right from the beginning by employing sportsmen and encouraging games through sponsorships. Some of the sportsmen of your Company have attained national and international fame through excellence. Your Company has developed a proper infrastructure for promotion of games among its employees and it provides enough encouragement and motivation to budding sportsmen for achieving a good standard at the State and national level.



A TRACK RECORD OF EXCELLENCE

In recognition of its excellence in various fields, your Company has achieved distinctions at the national and international levels during the year. It has won the following awards during the year under report :-

(1) FAI Productivity Award for the 7th year in succession.
(2) National Award in Industrial Relations.
(3) American Safety Award for the 4th year in succession.
(4) National Safety Award of the Government of India
(5) Second Productivity Award in Petrochemical Industry.
(6) Gujarat Governor's Trophy in Horticulture for the 5th year in succession.

CORPORATE OBJECTIVES

Your Company's corporate objective is to increase the share of industrial products to around 50% of the total turnover with the commissioning of the expansion and diversification projects. This product mix of petrochemicals and fertilizers will ensure your Company's investors and shareholders good returns and contribute meaningfully to the balanced growth of the national economy.

VOTE OF THANKS

I wish to express my sense of gratitude to the Government of India, Government of Gujarat, Indian Financial Institutions, International Finance Corporation, Washington, Banks and other agencies who have supported the Company in various projects and endeavours. I am also grateful to my colleagues on the Board for their guidance and contribution. I cannot forget to express my sincere thanks to members of the staff and officers of your Company for their hard work, excellent team spirit and deep sense of dedication. I also wish to thank members of the shareholders family who have always shown immense faith in the working of the Company. I also wish to thank our dealers and customers and suppliers whose co-operation, patronage and sincerity have contributed immensely to your Company's brilliant performance

JAI HIND

Note : This does not purport to be a record of proceedings of the Twenty-Eighth Annual General Meeting of the Company

Gujarat State Fertilizers Company Ltd.
P.O. Fertilizernagar - 391 750 Dist. Vadodara

R.K. MARKAN

R.K. Markan, managing director, H&K (Hoestemberghe & Kluetsch) Rolling Mill Engineers Limited, was formerly a senior executive with Mukand Iron & Steel Company. He quit in 1973 after a near-fatal accident and became a consultant. In the early eighties he met W. Kluetsch, managing director of H&K, Germany and



signed an agreement with that company in 1985 for the manufacture of equipment used in steel rolling mills.

Markan began small and expected an annual turnover of Rs.5 crore by 1990. But by August 1990, when H&K, India, celebrated its fifth anniversary, Markan could boast of orders worth Rs.20 crore and clients like the Durgapur steel plant, the Kalyanis, and the Malhotras.

G. HARIBABU

"Our steel project will be complete soon and we expect to go into production by March 1991," says G. Haribabu, managing director and one of the promoters of Powmex Steels Ltd. Located at Turla — a centrally notified ' 'A" category backward area — in Bolangir district, Orissa, the project is aided by the Industrial Promotion and Investment Corporation of Orissa Ltd (IPICOL).



The project is estimated to cost Rs.69.69 crore.

"In technical and financial collaboration with Bohler GmbH, Austria, Powmex will be the first of its kind in Asia to produce different grades of high speed steel by employing the conventional ingot technology as well as using the latest 'capsule forging technique'," says Haribabu.

C. MUNISWAMY

C. Muniswamy, chairman and managing director of Mysore Lamps, a public sector undertaking based in Bangalore, has a mission. The IAS Officer who is credited with turning around Mysore Lamps, a perennial loss-maker, was in Madras recently to talk to small scale lamp manufacturers. Mysore Lamps had earlier helped similar units in Karnataka by giving them access to improved technology and marketing support. Now it is ready to repeat the experiment in Tamil Nadu.



"I am not doing it out of economic compulsions. In trying to stabilise Mysore Lamps, we destroyed the small scale sector. The public sector, though inadvertently, works at cross purposes with SSI units. The public sector should provide an umbrella to protect SSI units. And that is why we started encouraging SSI units." says Muniswamy.

B.R. TARNEJA

"There is no way of becoming a world-class manufacturer of seamless tubes unless you have the ability to make high grade steel," says B.R. Tarneja, managing director of Indian Seamless Metal Tubes, the country's largest seamless tube producer.

Now Indian Seamless has launched its own captive steel plant. The 15- million tonne a year plant, with a projected investment of Rs.150 crore, had its bhoomi puja performed by

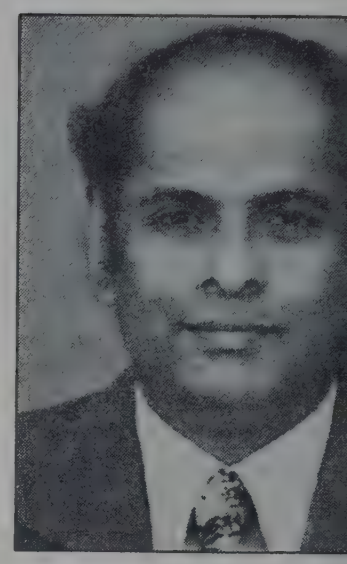


Maharastra's chief minister Sharad Pawar at its site at Jejuri, near Pune, on 29 September. The plant is expected to come on stream in early 1993.

S.A. CHANDRAN

"We are planning to start machine building activity in a big way. We will manufacture special purpose machines for in-house consumption and for the market," says S.A. dran, managing di Essae group, a major o equipment manufactur the Indian two-wheeler try. It manufactures nents for two-wh machine components, blocks and weighing sca

The group (annual tur Rs.8 crore) plans to di into manufacturing ele digital weighing syste collaboration with T Seiko Ltd of Japan. A planned diversificatio



digital clocks, with an i ment of not less than lakh. "For digital clock are looking for a mass p tion technology to make expensive and availab the common people," Chandran.

MEENA KAUSHIK

Until a month ago, Kaushik was heading the qualitative research sion of market research cy, MARG. Now she, with three senior colle has set up Quantum, qualitative research com

What prompted Kaus Co to take the entrepren leap? "After eight years business, one wants a cial stake," she exp Quantum is off to a hea with offices in the four m and the backing of blue clients like Cadbury's, B Bond, Citibank. For M this exodus will mean a

n billings and profits — may e more in the latter. Since ualitative research (a Rs.2 rore business today) is highly rofitable. On her part, Kaushik says she's learnt that you have to share your cake ome time". And she hopes to ake it better, not necessarily igger, this time round.

NISHITH SWAIKA

Nishith Swaika, director of Swaika Enterprises, is in a ricky situation. By taking ver as chairman of the Vanaspati Manufacturers' Association recently, he has he very tough job of repre-enting an ailing industry.



Most of the industry's com-laints concern the restrictive egulations for raw materials, tock holding and excise. Pro-uction has fallen by over 6 er cent this year. "This is here the association assumes mportance. If we cannot get he government to ease some f these regulations, the next ear may be even worse," says waika.

G.A. HINGORANI

he first project of Indiana onveyors Pvt Ltd began au-piciously. On Dassera eekend, its new plant at Je-ri, 46 km from Pune, which ill manufacture advanced neumatic conveyors, was in-igurated by Maharashtra chief minister Sharad Pawar.

Managing director G. A. Hingorani says that for the Rs.2 crore project, he already has orders of an equal amount. Hingorani is an old hand in the business and the Rs.12-crore Indiana group is well-known for material handling equipment. A clutch of technical collaborations — with Bergemann GmbH and Bayerische Berg und Salwerke of Germany — has ensured a technological edge for Indiana.

RICHARD FOWLER

Richard Fowler, the world-wide creative director on Unilever at O&M, says, " Four years ago, O&M's billing on account of Unilever work was 7 per cent of its total turnover. It has doubled now." Fowler was recently in Bangalore for O&M's international training programme. His job is to "ensure (internationally) the standard of creative work and provide direct assistance whenever necessary."

According to Fowler, the international experience of O&M on Unilever will help O&M India in its test marketing, campaigns and preparation of ad copy etc. For example, a new Hindustan Lever soap was recently test marketed in Hyderabad "in which we incorporated ideas from an exercise carried out in Brazil by O&M" he says.

BRIDGET HOGAN

A former journalist with Lloyd's List, Bridget Hogan, general manager, special projects, of the London-based Foresight group, was in India to attend a maritime conference on "Advances in Technology and Management in Shipping and Offshore Industry." Foresight is an international shipping, oil drilling and trading group.

Hogan thinks shipping lines will benefit from the opening



up of East Europe: "Owners of tramp ships are better geared to take advantage of the changing times," she says. She also points out that all shipping lines face the manpower crunch. This, she feels, will increase the importance of ship management companies. "Shipowners are more interested in profits and don't want to bother about the nitty-gritty of manning," she says, adding that ship management companies will increasingly handle operations.

WENDELL E. DUNN

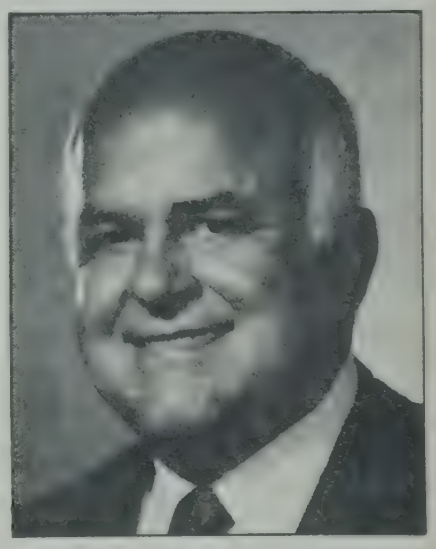
Wendell E. Dunn Jr., chairman of Benechlor Chemicals Private Limited, is a prolific inventor. One of his inventions is a high temperature synthetic rutile manufacturing technology. Synthetic rutile is the raw material required to manufacture titanium dioxide, an essential ingredient for the paint, plastic, ceramic and paper industries.



In India, Dunn holds a 40 per cent equity in Benechlor Chemicals Private Limited, a 100 per cent export-oriented unit coming up in the Madras Export Processing Zone. This Rs.4-crore project is promoted by two entrepreneurs, M. N. Venkatasubramanian and V. Ramkumar. "My process replaces iron oxide with titanium oxide to give high quality synthetic rutile. This process has far fewer environmental problems as there are less impurities to deal with." says Dunn.

DAN GILL

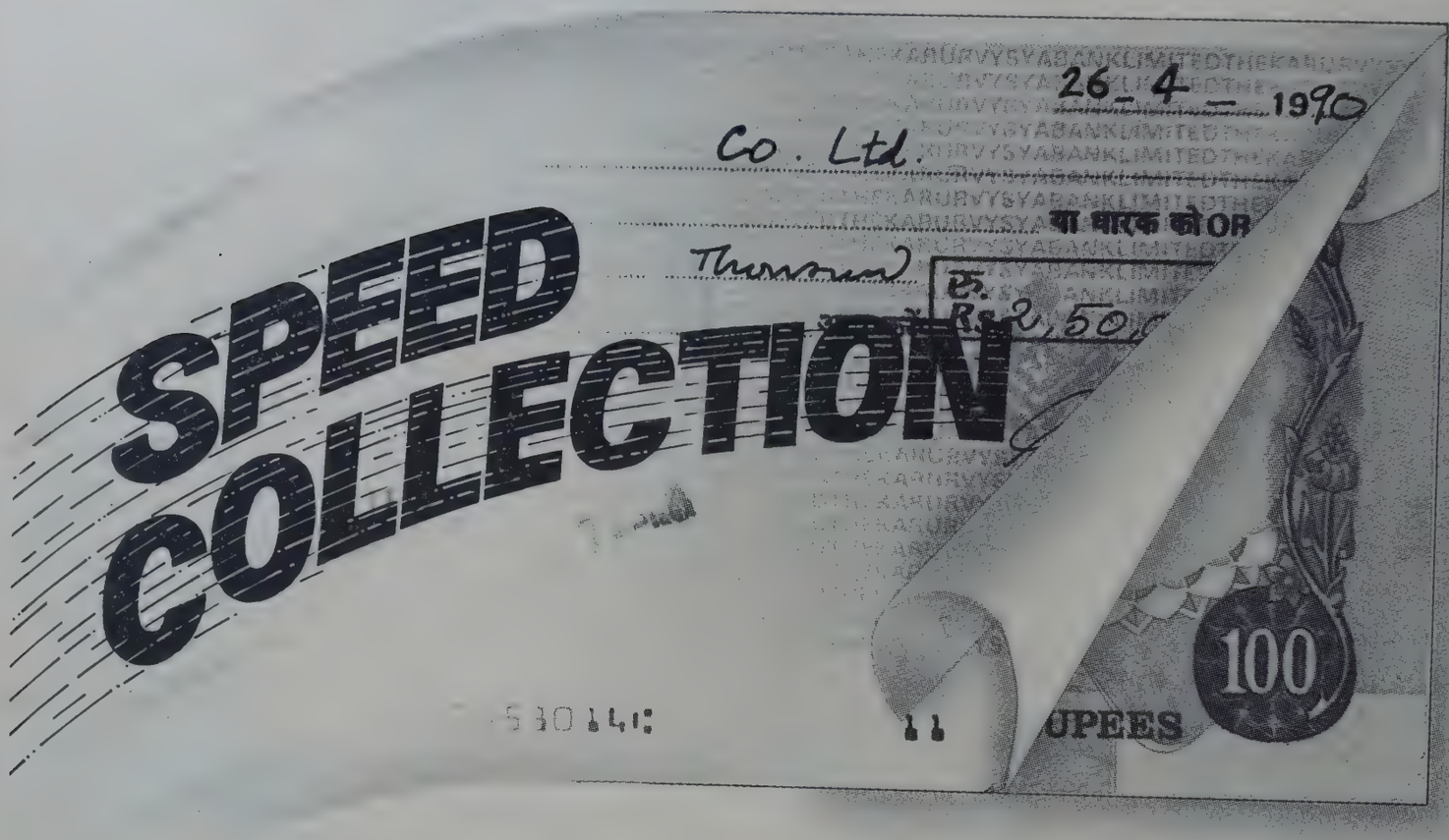
Last fortnight, Bausch & Lomb, manufacturers of the world famous Ray-Ban sunglasses, announced a joint venture at Bhiwadi in Rajasthan, 90 km from Delhi. Says Dan



Gill, chairman and chief executive officer of Bausch & Lomb Inc., USA, "This venture, jointly with the Ranbaxy group of Delhi, is our fifth, and is yet a unique one."

Its importance, according to him, is that it gives the American company access to the Indian market, one of the world's largest. The project, which will cost $11 to 12 million, has secured government approval for making soft contact lenses, eye-care solutions, enzymes and tablets. According to Gill, the venture will be managed by Indians with technical inputs from the US- based company.

KVB offers the business communit



The fast, fast way to realise your cheques and save on interest.

How often have your high-value cheques been held up for realisation? And lost valuable interest in the process? Not to speak of cash constraints faced by you.

This won't happen if you come to KVB. At KVB, matters move at a faster pace!

Your cheques get realised in a matter of days! You get your money and save interest on your overdrafts. And you won't have the problem of a cash crunch!

Come to KVB. For interest saved is interest earned.

THE KARUR VYSYA BANK LIMITED
KARUR 639 002

1916 PLATINUM JUBILEE YEAR 1990

KVB... 75 years of fulfilling dreams.

B Baskaran
Chairman

Anugrah 454/90 R

HIPBREAKING

Leaders, for how long?

The year 1989 saw India's shipbreaking ndustry emerging as the largest in the vorld, having handled 66 bottoms or 7.37 per cent of the world total. By August 1990, the number of ships de-nolished had risen to 88. In terms of ight displacement tonnage (LDT), 00,000 was broken till August, as gainst 306,000 in 1989.

How is it that India has emerged a vorld leader in shipbreaking? One eason was the government notification n 23 October 1989 which freed the ndian shipbreaking industry from the hackles of the Metal Scrap Trading Corporation (MSTC). While the MSTC till continues as the canalising agency, nd imports ships from rupee trade ountries for distribution, shipbreakers re now allowed to buy ships under REP and additional licences directly rom the international market. They lo, however, have to buy these licences rom the market, often at a premium of 5 per cent.

Not aggressive enough. Earlier, only MSTC could buy ships from rupee trade ountries and distribute them to the 94 egistered shipbreaking units. The in-lustry went into a downslide and capac-ty utilisation touched a low of 20 per ent during 1987-89. According to H.J. Kamdar, shipbreaker and former presi-lent of the Iron and Steel Scrap Asso-iation of India (ISSAI), "This happened ecause MSTC was not an aggressive uyer in the international market and ould not procure ships for demolition." n 1985, when the laid up tonnage was ighest, only 135 ships out of the world otal of 2,360, or just 5.86 per cent, were roken in India.

In sharp contrast, is the performance f last year. Says P.S. Nagersheth, pres-dent of ISSAI, "The industry has eached this position because we were eed from the MSTC and thrown open competition in ship purchase."

Despite the fact that India's share is ne highest today, there is a decline in bsolute tonnage of ships broken. From ne 135 vessels broken in India in 1985, ne figure came down to 66 by 1989. his is so as the number of ships avail-ble for demolition has gone down con-derably, because buoyancy in the ipping industry has created greater emand for ships, and old ships which might otherwise be scrapped are being sold in the second hand market. Even then, shipbreakers feel that India will break nearly 800, 000 LDT this year.

It would be unfair to blame MSTC for the woes of the industry. MSTC was allowed to buy ships on rupee payment and not many countries were willing to sell ships on these terms. Even from the Soviet Union, MSTC could only buy three ships in 1989 on those terms from the government agency, Sovcomflot.



Shipbreaking: India's share is the highest today

Says a source in MSTC, "Everybody wants dollars. If we were allotted foreign exchange, we could have also bought more ships."

With the MSTC out of the way, however, prices for vessels have gone up, as individual shipbreakers are ready to pay any price. It touched a high of $ 275 per LDT, when according to shipbreakers the reasonable price should be around $200. However, recently, the prices have come down to $225 per LDT.

Boom time. With the buying of ships decontrolled, the industry is bound to do well as India has the basic infrastructure needed — wide open beaches, cheap labour, and a market for steel scrap. Further, shipbreaking leaders like China and Taiwan are pulling out of the industry. Says an industry spokesman, "If government follows the present policy, the upward trend will continue."

However, there is scepticism regarding India's ability to maintain the lead. The Lloyd's List of 29 January 1990 has stated: "India's position as the leading shipbreaking nation is seen as a temporary phenomenon, likely to come to an end when the Indian government introduces currency reforms." Discerning sources in the industry point out that once the Reserve Bank of India notices the foreign exchange outgo, it will urge the government to change its policy.

The LPG shortage also might cripple the industry. LPG is a major constituent of the gas cutters used to dismantle ships. The government has fixed the quota of LPG on the basis of the low average consumption during 1987-89. As a result, the average consumption of the past three years works out to 750 tonnes per year as against the sanctioned quota of 4,000 tonnes. ' 'Unless the quota is restored, the industry will be back to square one," says Kamdar.

A recent directive by the Gujarat Maritime Board (GMB), saying that shipbreakers must purchase a ship and utilise the yard allotted for breaking it in order to retain lease-hold rights, has also caused problems for the industry. Shipbreakers have started buying ships in panic.

The industry has made many representations to the government without success. Now that the industry is doing well, to the advantage of all concerned, its problems must be quickly looked into. Such an attitude alone will be conducive to the industry's further expansion.

■ GEORGE ALBERT

PEN INDUSTRY

Not much to write about

An exhibition of Indian pens and writing instruments held from 6 September — World Literacy Day — to 8 September — served to underline the sorry state the pen industry finds itself in. Organised by the Writing Instruments Manufacturers' Organisation (WIMO), Write Show 90 revealed that in a country of over 800 million people, the indigenous pen industry generates an annual turnover of less than Rs.50 crore. Of the 800 odd pen manufacturers, more than 90 per cent belong to the small scale sector. And not only is the quality of pens poor, the export performance of the industry is also pitiable.

The export of pens from India — mainly for the gift market — is worth only Rs. 4 crore annually. In comparison, South Korea exports pens worth Rs. 500 crore every year. Says D.K. Jain, president of WIMO, "With incentives and proper promotion, we can easily increase our exports to Rs.25 crore annually."

Increase expected. WIMO foresees a fivefold increase in exports starting next year (at present Indian pens go to 35 countries).

This increase will owe much to the decision of the ministry of commerce to restore the 10 per cent cash compensation against exports. Says Jain, " Our request for restoring the cash compensation scheme (CCS) was pending with the government since April. We suffered a great deal of loss in exports in the interim period."

The ink isn't flowing smoothly in the domestic market either. Writing instruments are smuggled into India in truckloads, mainly from Nepal. While the import duty in Nepal is only 15 per cent, with a 25 per cent surcharge, in India the duty is 145 per cent on raw materials and components. "This is the highest in the world in this kind of industry," says Jain.

The balls made from "444" stainless steel used in ball point tips attract an import duty of 440 per cent. On dye stuffs, used to make inks, the duty is as high as 330 per cent. The ink itself attracts an import duty of 135 per cent.

These cascading duties result in a high retail price. As a corollary, small scale manufacturers who cannot afford these duty structures compromise on quality. "This duty structure", says Jain, "indirectly encourages smuggling as consumers prefer to buy foreign pens on account of quality. The least the government can do is reduce the duty to at least 85 per cent," says Jain.

Governments in ten states, though, exempt pens and other writing instruments from sales tax. (Ironically, Maharashtra, one of the country's most advanced states, does not.) The Central government exempts pens from excise duty, though writing inks (fountain pen, ball pen and sketch pen inks) attract varying duties.

Despite the constraints the in faces, pen manufacture in Ind come of age. Camlin's new fo pens aimed at the higher end market (Rs.295 per pen) have over 8,000 mail order buyers Companies like Wilson, Luxor and Cruiser, as also Camlin, a rently engaged in upgrading the ty of their products. WIMO was last year at the behest of thes panies. It also promotes the ma ture of pens that compare with th available in the international ma

Exhibitions of the Write Show ty will be held more often, say officials, "At least they will manufacturers and buyers togeth help make buyers aware of the q available in the domestic market

■ SHEKHAR



The pen exhibition: low literacy, high duties

INLAND CONTAINER DEPOT

High hopes

A decade old demand by tpe trad industry in Gujarat has finally met. On 1 September, the state's ever inland container depot (ICD opened at Adalaj, near Ahmedab will function as an interim arr ment as the depot is incomplete.

The ICD has been jointly establ by the recently formed Container poration of India (CONCOR) an Central Warehousing Corpor (CWC). To begin with, the ICD loading and unloading facilities a city's Sabarmati railway siding. latter has been suitably modifie this purpose by the railway autho at a cost of Rs.10 lakh. CWC and COR have also acquired, on a r basis, a site for a container freight tion (CFS) from a private agenc Adalaj, about 15 km from the rai siding.

Container freight. The CFS, to b veloped and modified by the agenc an approximate cost of Rs.40 lakh a covered area of 105,000 sq.ft. an open area of 124,000 sq.ft. It is expe to become operational just before D li this year. While loading and unl ing of containers will be done at siding, at the CFS, containers wil stuffed and destuffed and subjecte custom checks; empty containers also be parked here.

According to R.C. Agarwal, regi

Swissair Customer Portrait: Suresh Talwar, Company Director.



Swissair's thrice a week departures to Hong Kong help Suresh Talwar chart his course with utmost ease. Suresh bring to his travel the same meticulous planning as he brings to his profession. For his trip to Hong Kong, Swissair offers thre conveniently timed non-stop departures. Of course, you have the option of flying Swissair's luxurious First, comfortabl Business or attractively priced Economy Class. And if you take the family vacationing, you have our Excursion Fare Once you experience the Swiss hospitality, you'll see why flying Swissair is an open-and-shut case with Suresh Talwar.

For details call your IATA travel agent or the nearest Swissair office:
AHMEDABAD 449149 • BANGALORE 211983 • BOMBAY 2872210 • CALCUTTA 444643 • COCHIN 360380 • DELHI 3325511 • HYDERABAD 211144 • KATHMANDU 222452 • MADRAS 861

The look is classic, sophisticated, debonair, suave—any on
CD `Touch of Class'



l of these adjectives fit the CD shirt with the cut-away collar



CD

The Symbol
of the best Shirts
in India

Available only at

Charagh Din

6481 Wodehouse Road, Colaba, Bombay

NOWHERE ELSE

There are no branches or dealers & sub dealers
No agents or representatives appointed by us

DECOMMISSIONING OF NUCLEAR POWER PLANTS WITH CONCERN FOR PUBLIC SAFETY.

In every industry, permanent retiring of an operating plant, after its service life, is inevitable. This is called decommissioning. In case of nuclear power plants, because of radioactive elements present, guidelines and procedures for decommissioning are stipulated, much in advance of actual implementation. Resulting in national and international criteria for radiation protection, transport and waste disposal and environmental safety during various stages of decommissioning.

At the end of its operating life (30 to 40 years), a nuclear power plant contains some radioactive structures and worn out equipment. However, a major portion (over 85%) of the plant never becomes radioactive and can be demolished or reused without restriction. In the remaining 15%, after the spent fuel (containing 99% of the radioactivity) is taken out of the reactor and shifted off-site for disposal, only the reactor vessel and piping are of main concern; because of induced radioactivity, caused by neutron irradiation of structural metals, with their specific half-lives for radioactive decay. And secondly, because of the deposition of corrosion products on equipment surfaces, which can be decontaminated by chemical and mechanical processes.

Three stages of decommissioning nuclear power plants.

1. Storage with surveillance : This involves removal of all irradiated fuel, fuel coolant and other easily accessible radioactive material, leaving reactor vessel, structures and ventilation system intact, inside the containment building, under surveillance and control. This takes about two years.

2. Restricted site release : The radioactive reactor vessel and components are sealed off (entombed) for a dormant period of about 30 years for radioactivity to decay. Non-active areas are released for other uses.

3. Unrestricted site release : Major work of dismantling reactor vessel and piping is done with specialised remote handling techniques. The debris is then taken away, for permanent storage in steel-lined shallow land repositories, in locations duly approved by the Regulatory Body. The remaining areas of the plant are decontaminated and released for unrestricted occupancy (greenfield conditions). This takes about five years.

An alternative to the 3-stage decommissioning is "the prompt dismantling mode of decommissioning", which can be resorted to, if need be, to complete the job in about ten years. This comprises of stage-1 without storage, followed immediately by stage-3, but involves higher costs and man-rem exposure.



Tarapur Atomic Power Station

Typical small scale prototype nuclear power plants under demonstrative decommissioning in some selected countries.

Country & Plant	Type	Capacity Net MWe	Commercial Operation	Current (Aug. 1985) Decommissioning Stage (Planned)
Canada				
Gentilly-1	BLW (Candu)	250	1972-80	1 (3)
Douglas Pt.	PHWR	206	1968-84	1
France				
EDF	GCR	70	1963-73	1 (3 in 93)
Germany				
MZFR	PHWR	52	1966-84	1 (2 in 84)
USA				
Dresden	BWR	200	1962-78	1
Indian Pt. (1)	PWR	257	1962-80	1 (3)
U.K.				
Windscale	AGR	28	1963-86	1 (3 in 87-93)

Some 100 large sized nuclear power plants will complete 30 years of commercial operation by 2000 A.D. Decommissioning will become a routine industrial activity, a decade from now.

Since 1960, more than 65 reactor been decommissioned the world ov the accumulated experience shared the member countries of the Intern Atomic Energy Agency (IAEA). Decommissioning costs have been estimated to be less than 2% of the cost of generating electricity and ma exposures less than 0.1% of those c by natural background radiation.

Decommissioning plans for Indian nuclear power plant

The maintenance work carried ou radioactive areas during the last two decades at TAPS, RAPS & MAPS, decommissioning of a test reactor at BARC, the refurbishing of the fuel reprocessing facility at Trombay and participation of Indian scientists and engineers in evolving decommissioni codes and guides at IAEA, have pro broad-based experience and expertis dedicated group has specifically studi depth, decommissioning pre-requisite made detailed plans for Indian nucle power plants.

TAPS will be the first plant ready decommissioning by 2005 A.D. with RAPS & MAPS following in 2010 an 2020 A.D. Using the 3-stage decommissioning may take 40 to 50 y for each multi-unit plant. The concep decommissioning and the concern for public safety demand a planned, deliberate delay of about 30 dormant years for radioactivity to decay, so as derive adequate dividends by reductio man-rem doses.

NPC. Helping to brighten th homes of millions.

To achieve a better standard of livi today and to conserve our dwindling energy reserves for future generations would need an optimal mix of therma hydel and nuclear sources for fuelling India's growth needs. That's why NPC just one major overriding goal. To harness the power of the atom. To hel India achieve self-sufficiency in power generation for generations to come.

NPC. Fuelling a powerful future

Want to know more about nuclear power? Send your queries to:

NUCLEAR POWER CORPORATION
(A Govt. of India Enterprise)
Centre No.1, 16th & 20th Floor,
World Trade Centre, Cuffe Parade,
Bombay-400 005.

Issued for public information by the Directorate of Environment and Public Awareness — Nuclear Power Corporation.

anager, CWC, Ahmedabad, "Depending n the traffic in the first year, which we nticipate will be voluminous, we will es- ablish a larger integrated ICD complex at odiyar, 2 km from Adalaj in a couple of ears." Efforts to acquire the required and at Kodiyar are already under way. his complex, to be developed at a cost of s.20-25 crore, will have the added advan- age of its own railway siding and CFS.

"The presence of an ICD in Gujarat will erve as a great fillip to exports in the re- ion," says Agarwal. "The ICD offers a omposite package of services to both ex- orters and importers. This will reduce he overhead costs of operations substan- ially. As a result, many small time ex- orters in and around the region will lourish," claims Agarwal.

At the CFS, besides stuffing of cargo nto containers, single window services for xporters will be available. These will in- lude custom checks and clearance, insur- ance facilities, shipping and banking ervices, lifting of the cargo into con- ainers and transportation from its orgi- al site to the railway siding as also its ranshipment to the destined ports. Other acilities to be located within the CFS com- plex are public bonded warehousing; pen bonded space for heavy cargo and tevedoring services.

"The establishment of container freight tations all over India is a substitute for he earlier concept of dry ports. The dry orts idea never really translated into re- ality due to the non-availability of sturdy and tamperproof packaging," explains S.S. Khanna, business manager at the Cen- tral Warehousing Corporation, Delhi. It was only with the advent of the container movement in India over a decade ago that the concept of CFS became operational and feasible, he says.

Flooded with consignments. There has been a tremendous response to the ICD. "Queries from large as well as small busi- ness organisations are pouring in," claims Indravadan C. Shah, manager, Chinubhai Kalidass and Bros — CFS agents in Ahmedabad.

On the inaugural day itself, the ICD handled its first consignment for Arvind Mills Ltd — 12 tonnes of indigo denim for export to the UK. According to Agarwal, "In less than a week since its commence- ment, the ICD has been flooded with ex- port consignments from more than 60 companies located in Gujarat. The list in- cludes several well-known companies, drug producers Torrent Laboratories and Cadila Laboratories, ceramic tiles maker Madhusudan Industries and Swastik Or- ganics and Core Parentals. It is expected that the ICD will soon attract business from the neighbouring state of Rajasthan as well.

The ICD facility is not likely to be re- stricted to users in Ahmedabad. The Cen- tral Warehousing Corporation proposes to establish more ICDs in Gujarat, at Bar- oda, Vapi and Ankleshwar in the near fu- ture. When such a network is established, Gujarat will occupy a dominant place on the international maritime map of inland container depots.

■ NEERA SETHI

KVIC

Renewed thrust

In keeping with the Janata Dal's pre-elec- tion promise to boost rural industrialisa- tion, the National Front government has allocated Rs.7,000 crore to the Khadi and Village Industries Commission (KVIC) in the Eighth Plan. The amount, which is 2 per cent of the total public sector outlay of Rs.350,000 crore, is to enable KVIC to give a thrust to self-employment oppor- tunities in the non-farm sector in the rural area.

The KVIC is the realisation of Mahatma Gandhi's dream of a network of khadi pro- ducing centres all over the country which would enable each village to be self-sufficient with an independent economy. For Gandhi, khadi not only was a symbol of India's struggle for freedom, it had the potential to create thousands of jobs in the rural areas. The KVIC was therefore established in 1957 through an Act of Parlia- ment. An organisation with its roots in the villages and a wide organisational network, KVIC implements its programmes through 27 statutory state boards and an advisory board. The commission operates through 1,148 institutions and nearly 30,000 co-op- erative societies spread over 150,000 vil- lages in the country.





Emporium and Singh (inset)*: will the new efforts boost sales?*

Worst managed. However, the KVIC, like the other public sector units, has not achieved much in providing employment or giving a thrust to industry in the vil- lages. A 1988 report of the Comptroller and Auditor General (CAG) dubs the KVIC as one of the worst managed public sector units in India. Not only were the ac- counts in chaos, the report said, but also no proper records were being maintained. Most state boards did not even have re- cords stating the average annual earnings of some workers. Quite often, spinners and other artisans were not paid the wages fixed by the government.

The newly appointed chairman of KVIC, Dr. Yashveer Singh, denies the charges. "This is not true. We are answerable to Par- liament for every expense we incur." Singh says that though KVIC's progress may not have been remarkable, it has been able to maintain a steady growth rate.

According to Singh, KVIC's failure should be attributed more to extraneous factors, than to the commission's own weaknesses. Over the last three decades, for instance, the outlay to KVIC has been successively reduced. This was mainly because the Congress government gave greater im- portance to industrial development.

Today, however, the National Front government acts on the assumption that only employ- ment on a big scale in the rural areas can stem the flow of migrant la- bour to cities. Apart from allocating a large sum to the rural sector, it has, there- fore, also extended several concessions to the KVIC in the matter of excise and custom duties. At present, some 25 items are ex- empted from duties. It now proposes to ex- empt all KVIC prod- ucts (including raw materials, machinery, tools and finished

goods) from levies such as sales tax, octroi and purchase tax.

Ambitious targets. During the Eighth Plan KVIC hopes to organise 32,000 clusters covering 105,000 villages, and create about 2.25 million jobs, as against only 1.4 million during the Seventh Plan. Apart from introducing schemes for training the rural unemployed, the KVIC will extend finance facilities and open new sales outlets. To counter the declining popularity of khadi, sales agents are to be appointed to market readymade khadi garments. The scheme will commence immediately after the rebate season (October and November) ends.

Singh expects the scheme will not only boost sales, but also help break the rebate system, which proves disadvantageous as about 60 per cent of the annual sale takes place during the special rebate period instead of being spread over the whole year.

Singh also hopes to start an industry in every village. He plans to give a boost to the electronic industry by encouraging the assembly of TV sets, computers and digital watches in the villages.

He hopes all the new schemes will help KVIC achieve a turnover of Rs.6,000 crore in the Eighth Plan period as against the Rs.1,500 crore achieved in the last Plan.

■ MAHIRA HASSANALI

PETROCHEMICALS

TN units finally cleared

During his recent visit to Madras to attend the National Integration Council meeting, prime minister V.P. Singh finally cleared two major petrochemical projects. These had been hanging fire for the past 14 months. Thus, chief minister M. Karunanidhi can justifiably take credit for succeeding where even his predecessor M.G. Ramachandran, who was close to former prime minister Rajiv Gandhi, failed.

One of the projects cleared was that of National Aromatics Petrochemicals (NAPCO). A letter of intent (LOI) was awarded in February 1987 for setting up a naphtha based aromatics project to the public sector Madras Refineries Ltd (MRL). This was a project which MRL had been pushing for many years. After the LOI came through, the search for a partner began.

Big names. After several months of uncertainty, during which many big names in Indian industry were bandied about, the joint sector fertiliser giant SPIC was chosen as co-promoter in November 1988. NAPCO was incorporated in January 1989 and a detailed project report was prepared. The first stage clearance was obtained from the Centre in August 1989. After that, it got stuck with the cabinet committee and nobody was quite sure whether the project would get the final clearance or not.

The other project which has received clearance is a private sector export oriented unit to be put up by the RPG group in collaboration with Linde of Germany. R.P. Goenka had announced this project, which will crack imported naphtha and re-export it, almost two years ago. However, for various reasons, this project too got stalled.

Industry sources have it that the state government was not keen on the latter project as the benefits to the state from a 100 per cent export unit is limited. And the outflow from the state in terms of land, power and water would be much more.

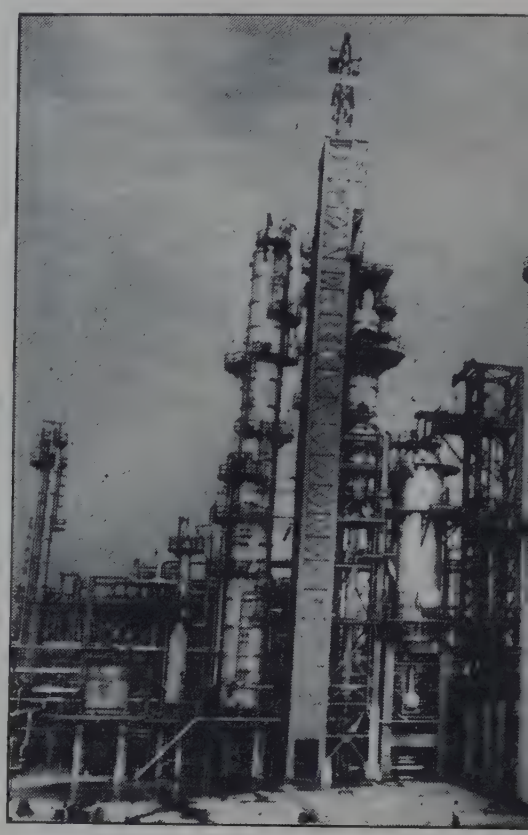
With these clearances, the financing of the projects has come into sharper focus. According to the state government, the NAPCO project is now going to cost about Rs.1,356 crore against MRL's original estimate of Rs.600 crore. But, according to knowledgeable sources in the petrochemical industry, it could cost more than Rs.1,500 crore.

When NAPCO was formed, it was announced that the equity capital for the aromatics project would be about Rs.339 crore and that MRL and SPIC would each take a 26 per cent stake. The balance would be raised partly through convertible bonds and parity term loans in rupees and in foreign currency. It was also said that Mitsui of Japan, a well known name in petrochemicals, was interested in participating in the equity.

Changed picture. In the last 14 months, however, the picture has changed. It is a fact that till recently SPIC and MRL had worked quite closely together in bringing the project planning to an advanced state. It was due to the personal efforts of A.C. Muthiah, vice-chairman and president of SPIC, that Mitsui had shown interest. But now relations between SPIC, represented by chairman M.M. Rajendran, and the Tamil Nadu government are stormy, to say the least.

Besides, SPIC's financial priorities have also changed. The corporation now has quite a few expenses of its own with the modernisation programme of its fertiliser plant in Tuticorin and the pharmaceu plant in Cuddalore. Therefore, some decisions are now necessary for raisin sources. In fact, the very nature of S role in the project needs some re-or ation.

The RPG project is also expected to



Madras Refineries: at last the LOI

around Rs.1,700 crore. According to lier announcements, RPG and Linde each have a stake of about 25 per cer the equity. Some equity will be offere the public and the bulk of the resou may be raised through loans in fore currencies.

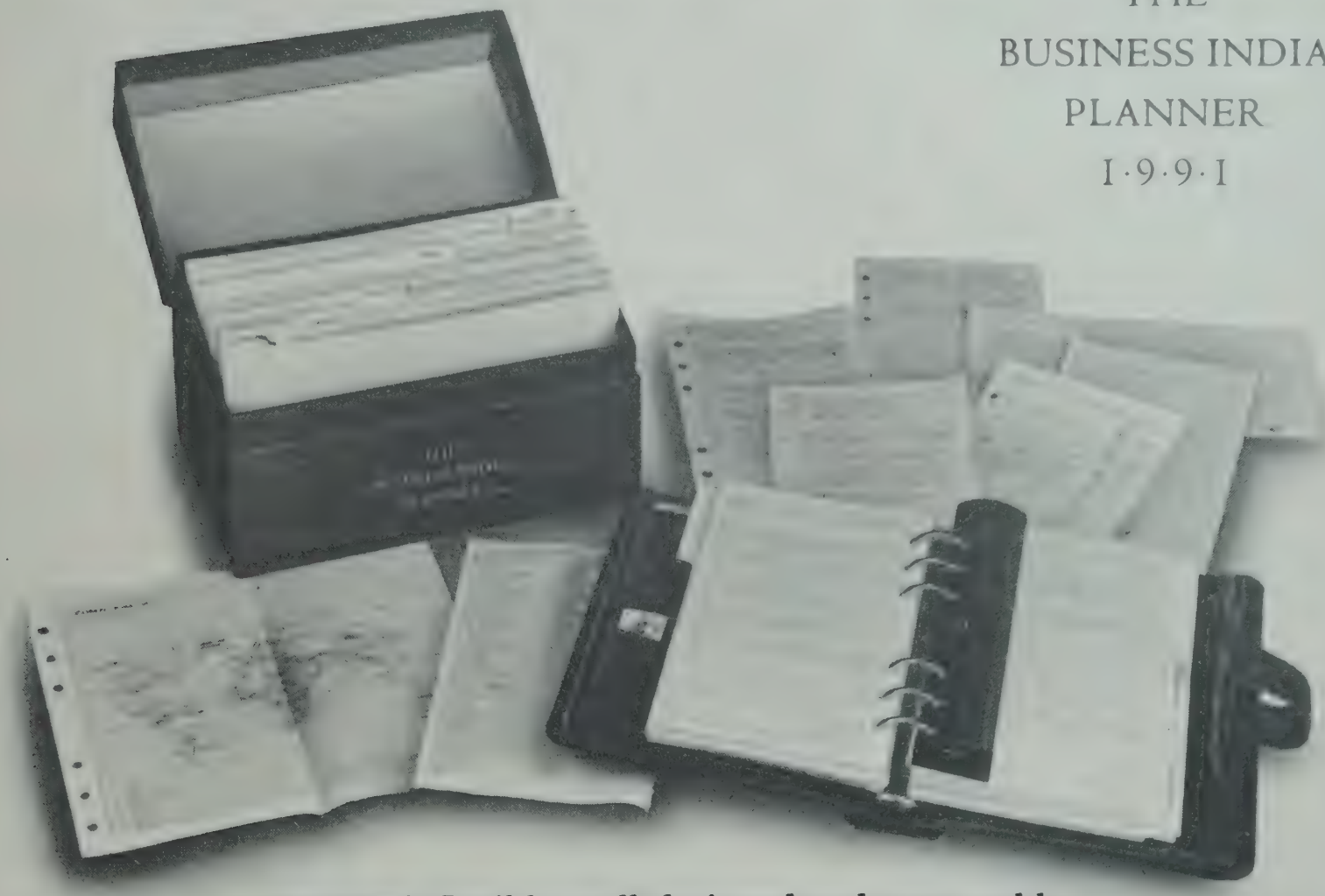
Tremendous opportunities. A clea picture will only emerge after the vari formalities have been taken care of. what seems plain is that these two p jects will open up tremendous opp tunities for Tamil Nadu. The exp oriented project can sell 20 per cent o production in the domestic market. A that itself is expected to provide mate for many downstream industries. So Tamil Nadu has not really concentra on promoting downstream industries.

Till today, 85 per cent of MRL's fe stock goes to Maharashtra and Guja Downstream products like MEK, L Polyol and so on find major custom only outside the state (Tamil Nadu d not have a single major plastics manuf turer). If this situation is not remedi however, it does not seem likely that Ta Nadu will enjoy the fruits of th projects.

■ SUSHILA RAVINDRANA

A Great Business Gift

THE
BUSINESS INDIA
PLANNER
1·9·9·1



Practical, flexible, well-designed and memorable.

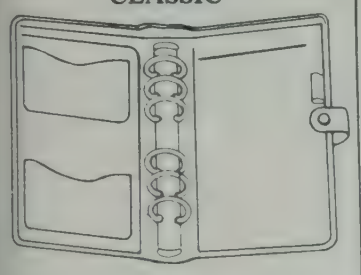
The Business India Planner 1991 is a gift that will reflect your company's prestige and class.
A portable office system, it will be a daily advertisement for you in the years to come.

Bound in rich real leather with its easy to use design format,
The Business India Planner 1991 has a valuable
Information section, a versatile Diary section, a handy Network section,
and an indispensable Organiser section.

Select between the Day Plan (a page-a-day) or the Week-at-a-glance
(a week on a double spread). This year you can choose between two designs:
the Classic (which allows more space for storing documents and papers) and the
Contemporary (which is a more compact version).

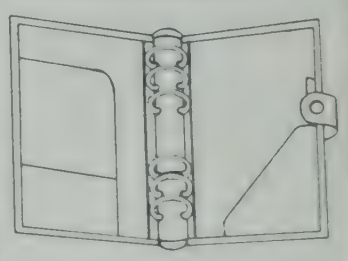
With its unique trigger operated ring binder system, add, subtract and
relocate pages from the numerous features and options available.
And next year, all that needs replacing is the diary section.

CLASSIC



Actual size (closed) 19.5 cms x 14 cms

CONTEMPORARY



Actual size (closed) 19 cms x 13.5 cms

RATE PER PLANNER
(Please note the planners will be available from mid-October, 1990)

	CLASSIC		CONTEMPORARY	
Quantity	Week-at-a-glance	Day Plan	Week-at-a-glance	Day Plan
1-9 Planners*	Rs. 485*	Rs. 499*	Rs. 445*	Rs. 460*
10-30 Planners	Rs. 460	Rs. 475	Rs. 420	Rs. 435
31-50 Planners	Rs. 450	Rs. 465	Rs. 410	Rs. 425
51 & above	Rs. 440	Rs. 455	Rs. 400	Rs. 415

* a special discount of Rs. 25 is available for Business India subscribers
Postage & handling charges: Rs. 25 per Planner.

For an order of 5 or more Planners, we can emboss your Company's name, in a standard typeface, on the leather folder at Rs. 10/- per Planner.

Classic: ____ ☐ Week-at-a-glance: ____ ☐ Day Plan: ____

Please indicate colour in order of preference. (Colour subject to availability):

☐ Black ____ ☐ Burgundy ____ ☐ Tan ____

Contemporary: ____ ☐ Week-at-a-glance: ____ ☐ Day Plan: ____

(Available in black only with a tan border)

Subscription No: ____

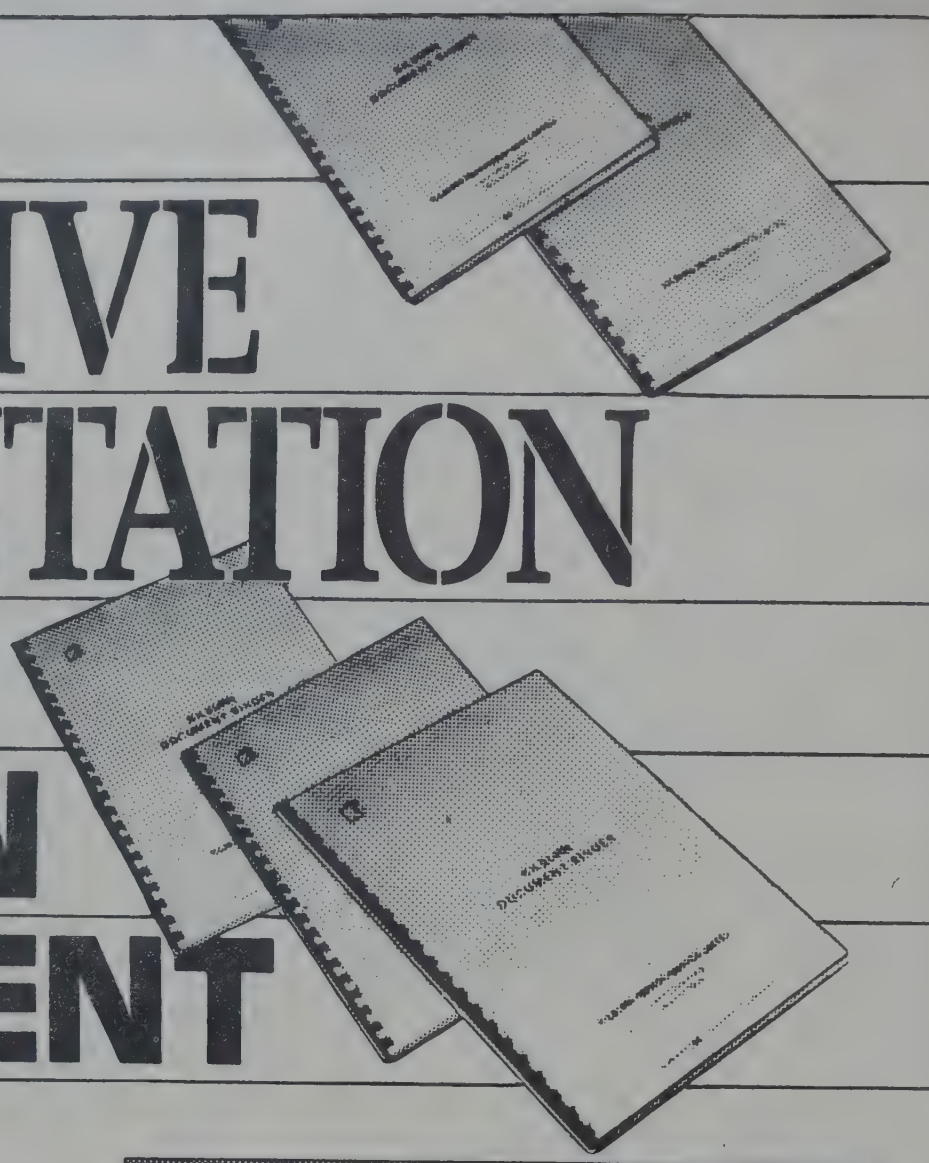
Name: ____

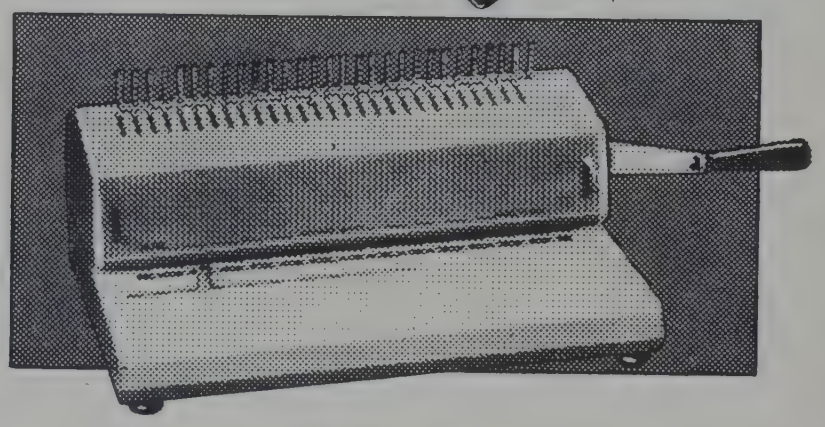
Address: ____

My cheque/D.D./P.O. for Rs. ____ drawn in favour of **Business India Services** (+ Rs. 5 for cheques not drawn on a Bombay bank) is enclosed.
Please allow 28 days for delivery.

Mail the coupon to: Business India Services, Nirmal, 18th Floor, Nariman Point, Bombay 400021. Tel: 2041974, 2024422. Tlx: 11 83557 BZIN IN
or contact our branch offices: Delhi: 350253, 312485. Madras: 474964, 860714. Calcutta: 448455. Bangalore: 265149.

Make an EFFECTIVE PRESENTATION with KILBURN DOCUMENT BINDER





- Sleek and versatile in design
- Easy to read bound documents
- Professional in presentation
- Protects confidentiality

A product of Kilburn's own R&D, manually operated Kilburn Document Binder produces neatly bound documents with speed and accuracy. Documents prepared with care and hard work can be professionally bound in your own office to protect confidentiality. Wide range of accessories are freely available.

For a FREE demonstration contact your nearest KRL Office.

Make your presence felt

KILBURN REPROGRAPHICS LIMITED

REGIONAL OFFICES : • **BOMBAY** Gresham Assurance House, Sir Pherozeshah Mehta Road, Bombay 400001. Phone 2860173 • **CALCUTTA** 7 Red Cross Place, Calcutta 700 001. Phone 28-4345/ 28-6642/28-0844/28-0677 • **NEW DELHI** 4E/1 Jhandewalan Extension, New Delhi 110055, Phone 52-1352/52-0746 • **MADRAS** 200 Peters Road, Royapettah, Madras 600014, Phone 869452.

SALES OFFICES : PHONES • Ahmedabad 40-7170 • Bhopal 55-3142 • Nagpur 526946 • Pune 673921 • Bhubaneswar 407940 • Dhanbad • Guwahati 31559 • Jamshedpur 23244 • Patna 31132 • Ranchi 301548 • Chandigarh 20902 • Dehradun • Jaipur 60999 • Lucknow 70440 • Bangalore 22-6390/22-1568 • Cochin • Coimbatore 43763 • Secunderabad 834348 • Vishakapatnam 51682

React/KR/021/90

RASIM

Pollution problems

Aditya Birla's high-flying Grasim Industries (see Business India, 3 September) is in the news again. This time over a criminal complaint filed last fortnight against its Grasilene division in Karnataka's Dharwar district by the State Pollution Control Board (KSPCB) for alleged violation of pollution control laws.

Grasim Industries has two units situated in this Northern Karnataka district — Harihar Polyfibers Ltd (HPF) and the Grasilene division. HPF produces rayon grade pulp and Grasilene, a viscose staple fibre. Grasim Industries Limited has invested Rs.100 crore on these two units, including Rs.5 crore on effluent treatment plants. Situated on the banks of the Tungabhadra, both units draw water from the river and also discharge effluents into it.

Grasilene was served two show cause notices by the KSPCB early this year for exceeding the total dissolved solids (TDS) limits in its effluents. Says Shailendra Kumar Jain, senior executive president, Grasim Industries Ltd. "The effluents are non toxic, and there is no plant scale technology available in the world for reducing their constituents." The board did not accept this explanation and decided to prosecute the company.

Exceeding limits. At the Harihar Polyfibers unit, according to M.J. Surendranath, chairman, KSPCB, "the treated effluents do not meet the Biological Oxygen Demand and the Chemical Oxygen Demand standards." As against the prescribed 250 milligrams of COD, HPF's is around 300 mg. Jain explains, "We set up the effluent treatment plant in 1977, when it became available. We are now meeting the prescribed COD standards, and we have always implemented whatever suggestions the board made." Dr. Hiremath, KSCPB member, however, refutes this.

Meanwhile, the company approached the state chief minister, Veerendra Patil, since it felt the board was 'harassing' it. In August, the board received a letter from the state government stating, "... the function of the board is not only to control pollution but also to give suggestions to control pollution. The board may please examine these aspects and offer suitable suggestions." Hiremath terms this an interference in the functioning of the board. "I am amazed that the chief minister does not have any basic concept of environmental issues."

A former convenor of an expert committee constituted by the Karnataka high court last year on pollution issues related to Grasim, however, dismisses the whole thing as a lot of nitpicking. "It is true the companies have not met certain parameters, but they have a good record of pollution control since 1984. If they operate their plants properly, there ought not to be any major problem."

■ DEVAPRASAD PUROKAYASTHA

VIDEOCON GROUP

Good show

Two years ago, when *Business India* introduced the relatively unknown Dhoot brothers — Venugopal, Rajkumar and Pradip — to the corporate world, many wondered who they were. Today, the Videocon group is one of the fastest growing in the country. Last month, in our Super 100 list of private companies, Videocon International Ltd (VIL), the flagship of the Rs.500-crore Videocon group, ranked 58th. In terms of growth in sales and profit in 1989-90, however, VIL topped the list of the 100 best companies in India.

VIL's sales of Rs.417 crore during the year ended March 1990 were 490 per cent higher than that in the previous year; profit after tax at Rs.27 crore was 545 per cent higher. During the same period, both sales and profit after tax of Videocon Appliances Ltd (VAL, which makes washing machines) at Rs.47.88 crore and Rs.4.41 crore, respectively, also took quantum leaps.

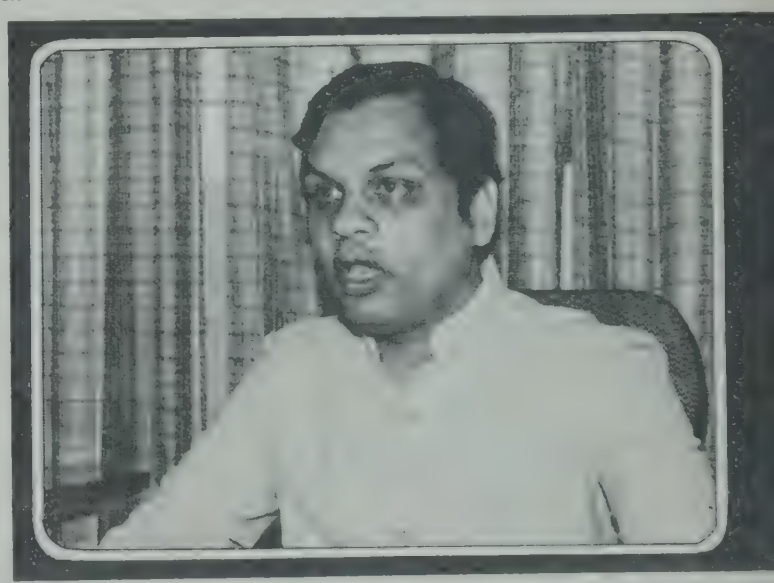
Impressive figures. Last year, VIL sold an impressive 70,000 TVs (both colour and black and white, and including exports) per month, against 10,000 in the previous year. It exported Rs.97 crore worth of colour TVs to the Soviet Union for a hefty profit. "Nearly 40 per cent of our profit comes from exports," says Venugopal Dhoot, managing director of VIL and the eldest of the three brothers.

Videocon's critics, however, maintain that its profits are overstated and accounts are doctored. Venugopal refutes such charges vehemently and asks, "Isn't it ridiculous to overstate profit and pay higher taxes?" Controversies apart, the pertinent question is: can such growth be sustained? What is certain is that although VIL will not be able to repeat last year's growth in sales and profits in the current year, its profitability may be maintained. According to Venugopal, sales and profit after tax will rise to about Rs.500 crore and Rs.30 crore respectively. Exports are expected to halve to Rs.40 crore this year. But this is unlikely to affect VIL's profitability because the company will take full advantage of the abolition of section 115J of the Income Tax Act and may not pay any tax at all. Besides, the company is integrating backwards through its facilities to produce TV components, B&W picture tubes and moulded plastic cabinets.

VAL, however, is likely to more than double its sales to Rs.110 crore and profits are expected to be around Rs.15 crore this year, according to Dhoot. "We are now selling between 12,000 and 15,000 washing machines a month, twice last year's average," he claims. The company has also introduced airconditioners and will soon sell refrigerators too. Videocon-Toshiba VCR Ltd, the third company in the group, is already marketing VCRs assembled from imported kits and expects a turnover of Rs.80 crore this year.

Now the Dhoots want to diversify out of consumer electronics. They have applied to the Maharashtra government to build a Rs.600-crore 400 MW gas-based power plant. In Haldia (West Bengal) they plan to set up a Rs.300-crore petrochemical plant. Will they be able to manage such large projects or muster such large funds? Venugopal is confident: "Given a chance, we will prove our mettle in the core sector too." That will probably complete the transformation of the small Marwari trading family into big league industrialists.

■ DILIP MAITRA



V. Dhoot: can the growth be sustained?



Now a telephone that lets you call people by their names, not numbers.

Imagine a phone that allo you to forget the number of party you are calling. Just k the name or the initials and call is made. Take a look at Natelco ONYX Alphanumeri 2-line directory phone. The super-smart phone that store 200 frequently called phone numbers along with the nam the party. And that's not all also offer you facilities like free operation, conferencing digital clock display, call tim auto redial, etc. You'll find t Natelco has captured your imagination and turned it int reality. And the ONYX Alphanumeric is just one of telephones from the Natelco range of futuristic and feature-packed phones that in different models and sizes suit every requirement and p

NATIONAL TELECOM OF INDIA LTD. ● F-16/17, Commerce Centre, Tardeo Road, BOMBAY-400 034. Tel: 4938080, 4948868, 4948884, 4947951/52. 11-76180. Fax: (9122) 4930588 ● 41/14, Swaroop Complex, Karve Road, PUNE-411 004. Tel: 332074/1352. Telex: 145679 ● Sommerset, B-203, Opp. Bank, M.G. Road, BANGALORE-560 001. Tel: 544028 ● 209, Ansal Bhavan, Kasturba Gandhi Marg, NEW DELHI-110 001. Tel: 3310299, 3315099. 03162795.

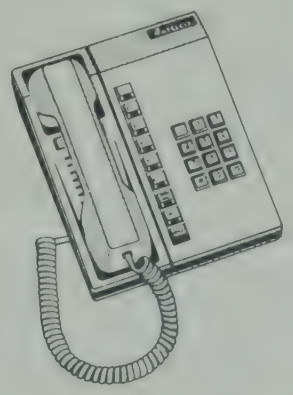
telco 90's EPABX System

ke a look at the features of any ABX System available in India. en take a look at the Natelco tem's features. The difference is ar. In fact the Natelco EPABX is advanced that it can actually able your Telephone Operator handle twice the number of lls. And a simple 1-step eration encourages all users to e the sophisticated features of system, without having to member a list of numerical des. Natelco can even give you configuration that's just right for u, however small or large.



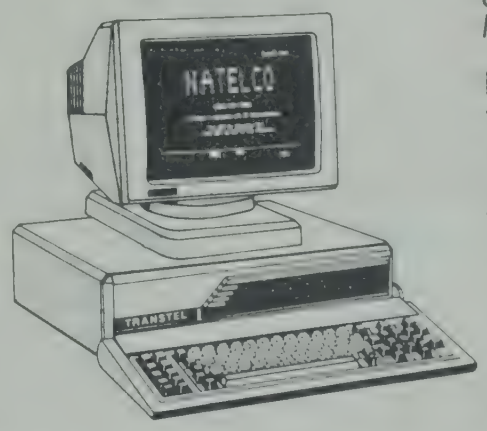
Natelco Electronic Key Phone System

Natelco breaks the myth that key phone systems are inflexible! Presenting M616 — A sophisticated and feature-packed phone system that combines the expandability of an EPABX with the convenience of a key phone system. All you have to do is add snap-in cartridges to the Central Unit and plug in the additional phones and the M616 expands to suit your new requirements. M616 also offers you for the first time unique features like Barge-in, Travelling Class of Service and Optional Battery Backup.



Natelco Computerised Telex

Kill two birds with one stone! A telex machine that's also a word processor!! Yet so user-friendly that it hardly requires any operator training. On-screen help to guide new users, single key access to most functions, a quick reference guide that fits neatly on to the key board together with short code dialing for 100 frequently used telex numbers and networking capacity make the Natelco computerised telex unbeatable. What's more, the Natelco telex is available in 4 basic models with the option of adding two drives.



Technology: The Secret Of Better Performance.

What makes the Natelco Communication System so much superior to other similar systems available in India? It's today's technology. Take for instance the Natelco EPABX. It incorporates the very latest C-MOS, VLSI technology and is designed to offer total reliability and high MTBF.

Proved 500 Times Over

The efficiency and reliability of the Natelco range of communication systems can be easily gauged by the fact that in just a span of one year, it has over 500 installations in leading organisations. Would you install an outdated communication system in your state-of-the-art office, now that you have a choice?

NATELCO

TOTAL COMMUNICATION SYSTEMS

Technology so advanced, it's so simple to use.

uthorised Dealers: ● **Bombay:** Avhan Enterprises – Tel: 4301195. Speedo Communications – Tel: 4940894/3341. Cygnet Enterprises – Tel: 5142710/4909/4919/ 258. Lynx Systems & Services – Tel: 353239, 364234. Petco – Tel: 6442638, 6404741. Telecom India – Tel: 2616317. Leap Corporation – Tel 364780 Global lecom – Tel: 2613010/9649 ● **Nagpur:** Midland Industrial Agencies – Tel: 40909 ● **Pune:** Dial AM Computers – Tel: 660006 ● **Ahmedabad:** Unique Communication stems – Tel: 76061 ● **Baroda:** Jingle Electronics – Tel: 26566, 559257 ● **Madras:** Global Fax – Tel: 473084 Vijaya Systems – Tel: 429992 ● **Hyderabad:** Telemate mmunications – Tel: 843147. SLR Marketing – Tel: 68942 ● **Delhi:** Effective Business Systems – Tel: 5717222/9784 ● **Calcutta:** Espee Enterprises – Tel: 453535, 55293, 453274.

MADISON-NT 1142

If only the Guinness Book of Records had a section on Pumps, we'd be in it.

World's first seventh edition pump (API-610)

From the first name in pumps, comes the last word in pump technology.

CHEMFLO–AKP seventh edition pump as per API-610 is the first of its kind in the world.

Years ahead in performance, the pump is the product of AKAY's in-house research and product development through CAD/CAM to meet the exacting standards of API-610 (Seventh edition.).

CHEMFLO–AKP seventh edition pump's incredibly rugged design makes it energy efficient as well. Ideal for Petrochemical, Refinery, Fertilizer, Nuclear and Chemical Industries.

Add it all up! And you can see why the AKP series seventh edition pumps are something even people from America, Europe, Middle East and Japan are excited about.

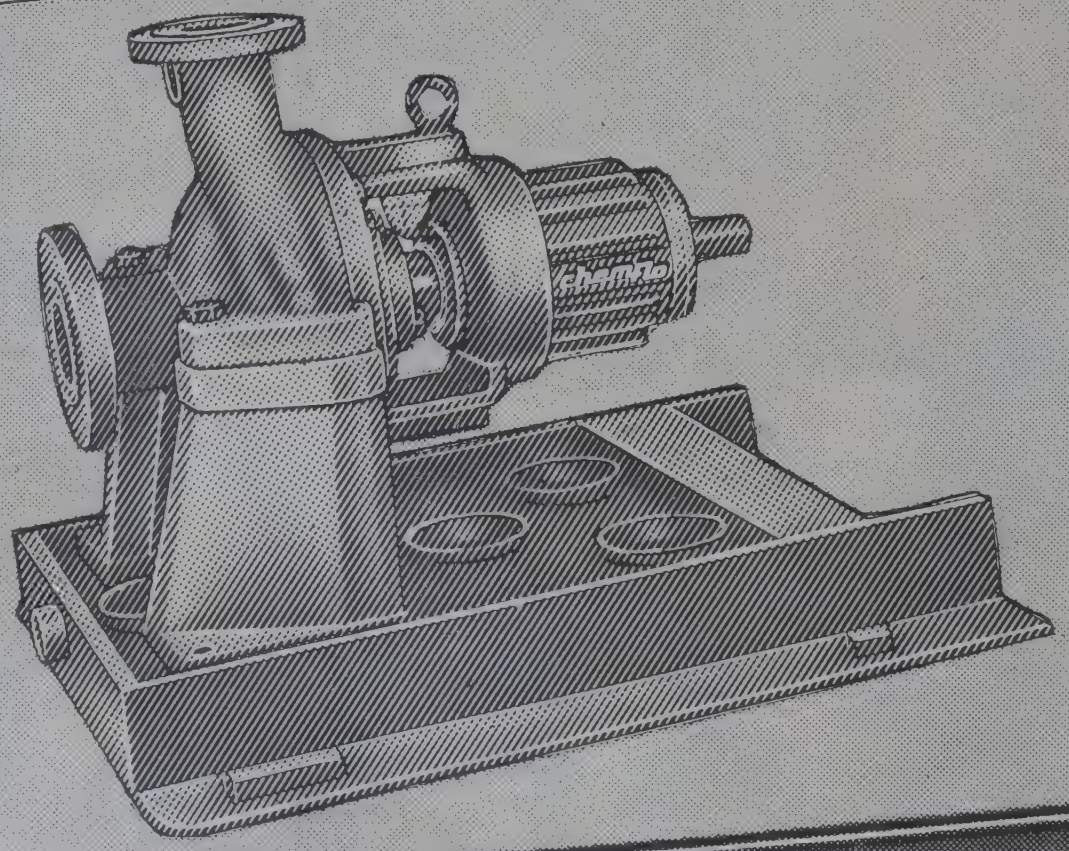
CHEMFLO-AKP seventh edition! It's what the world has been waiting for!

AKAY INDUSTRIES

Sales Headquarters
Post Box 6557,
Bombay 400 018, India.
Gram: AKAYIND.
Telex: 011 73771 AKAY.
Phone: 492 4590.
Fax: 494 6677

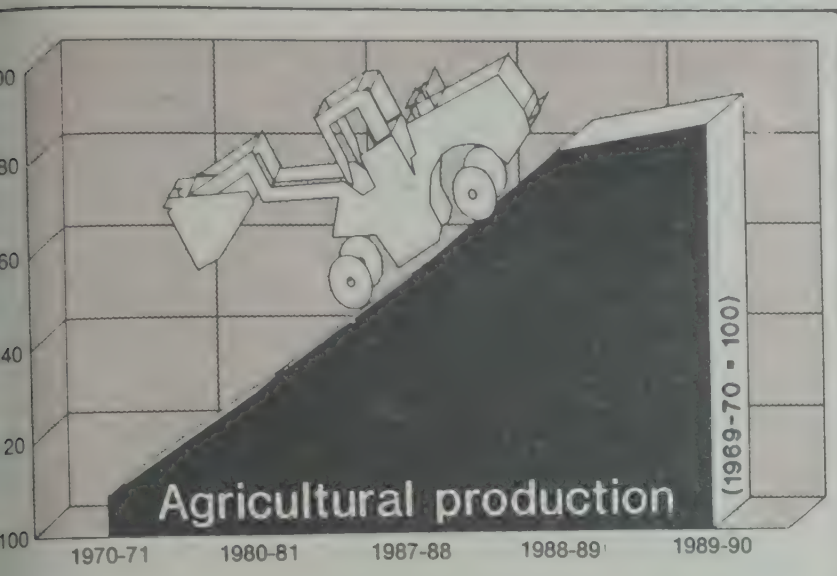
Branch Sales Offices
New Delhi • Calcutta
• Madras • Vadodara

Manufacturing Plant
Hubli 580 020, Karnataka,
India.

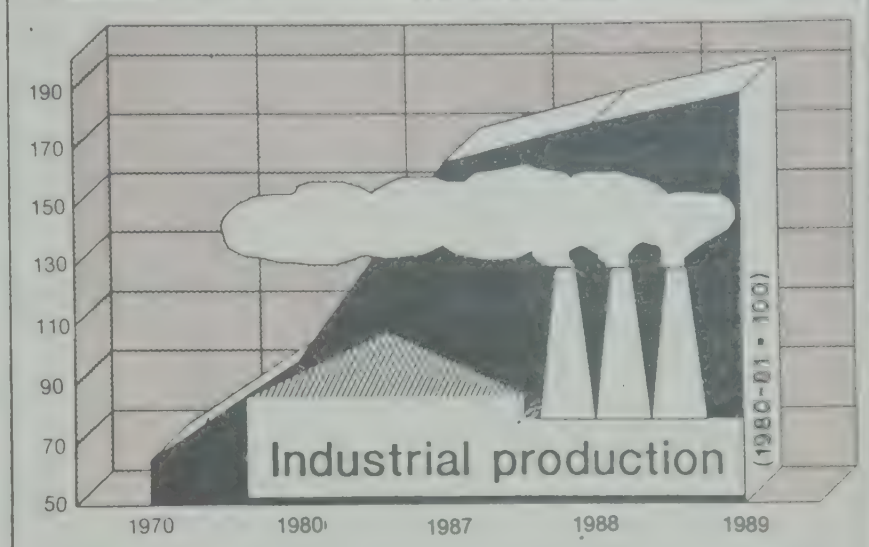


chemflo® Leadership... by design

ARMS-AK-CCDP-



Growth in agricultural production has been increasing at an average rate of 2.8 per cent per annum since 1951-52. But the increase is negligible, as population has grown at the rate of 2.3 per cent per annum. However, in recent years, due to good monsoons, production has increased and in 1990-91 a record production is expected.



Between 1981 and 1989 a 7.5 per cent increase per annum was observed in industrial production. In recent years the manufacturing sector has done better than the other sectors. Industrial production in 1990-91 is expected to be up by 10-12 per cent over the corresponding period of the previous year.

Wholesale price index: The all commodities index was up only marginally (0.33 per cent) for the month under review. In primary articles the price of oilseeds declined by 1.4 per cent. In manufactured products the price of jute, hemp and mesta products was up by 3.4 per cent.

(1981-82 = 100)

	8 Sept '90	7 Aug '90	7 Sept '89	% change over month	% change over year
All commodities	179.8	179.2	168.8	0.33	6.5
Primary articles	184.0	182.9	168.7	0.60	9
Manufactured products	180.0	179.6	171.3	0.2	5

Money and Banking (Scheduled commercial banks): Even though broad money (M3) and aggregate deposits went up by 0.5 and 1.3 per cent respectively bank credit declined by 0.6 per cent for the month under review. Food credit also declined by a hefty 10.3 per cent.

(Rs crore)

	7 Sept '90	10 Aug '90	8 Sept '89	% change over month	% change over year
Broadmoney (M3)	2,40,799	2,39,639	2,07,886	0.5	15.8
Aggregate deposits	1,76,939	1,74,746	1,52,136	1.3	16.3
Bankcredit	1,03,394	1,04,044	88,701	-0.6	16.5
Foodcredit	3,413	3,808	1,001	-10.3	240.9
Credit deposit ratio	58.43	59.54	58.30	—	—

Bullion prices and stock market index: The price of both gold and silver is up by 3.6 per cent and 5.6 per cent respectively. Despite the uneasy political situation the BSE index was up 13.6 per cent.

	6 Oct '90	7 Sept '90	6 Oct '89	% change over month	% change over year
Gold (Bombay)	3,500	3,376	3,195	3.6	9.5
Silver (Bombay)	7,050	6,674	6,918	5.6	1.9
BSE index (1978-79 = 100)	1,426.9	1,255.72	723.35	13.6	97.2

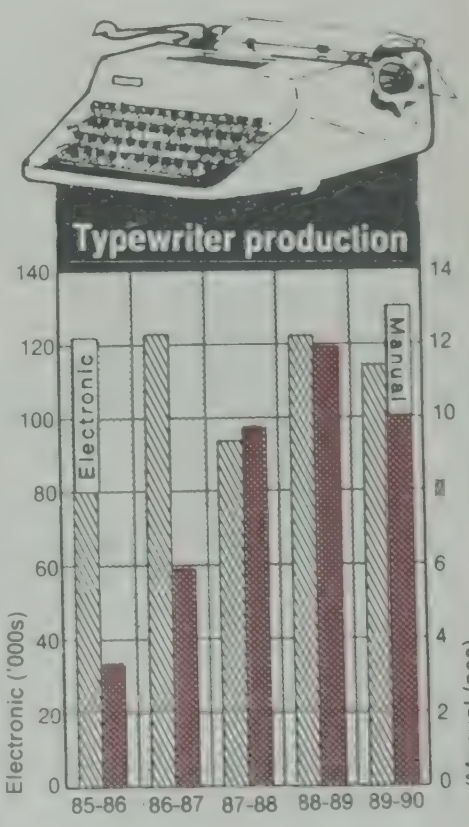
Price of gold in rupees per 10 gms and silver in rupees per kg)

Typewriter industry

The typewriter industry in India has come a long way. In the organised sector there are seven units producing manual, electric and electronic typewriters. Their total installed capacity is 271,000 typewriters per annum. The three main large manufacturers are Godrej and Boyce Mfg. Co, Remington Rand and Facit. But the future is in electronic typewriters which, incidentally, all these units manufacture.

Production of typewriters began in the mid-fifties and by 1960-61 indigenous production had risen to 28,700 units. By 1965 production increased to 39,600 units but gradually declined to touch 31,600 units in 1974. Thereafter, however, it increased in leaps and bounds and by 1986-87 total production was 122,900 units. The Seventh Plan had set a very ambitious target of 150,000 units by 1989-90, but unfortunately actual production was only 114,100 units, about 75 per cent of the target.

While production of manual typewriters is on the decline, that of electronic typewriters has increased significantly over the last five years. Against 3,302 units in 1985-86 10,000 units were produced in 1987-88. However, since then the increase has been less dramatic, largely due to price constraints. Nevertheless it seems like the electronic typewriter has come to stay.



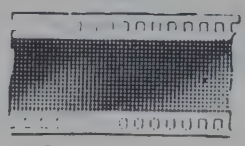


Small Scale Industrialists

Cold Storage Owners



Factory  Managers

Theatre Owners 



Hospital Administrators

If power is your problem...

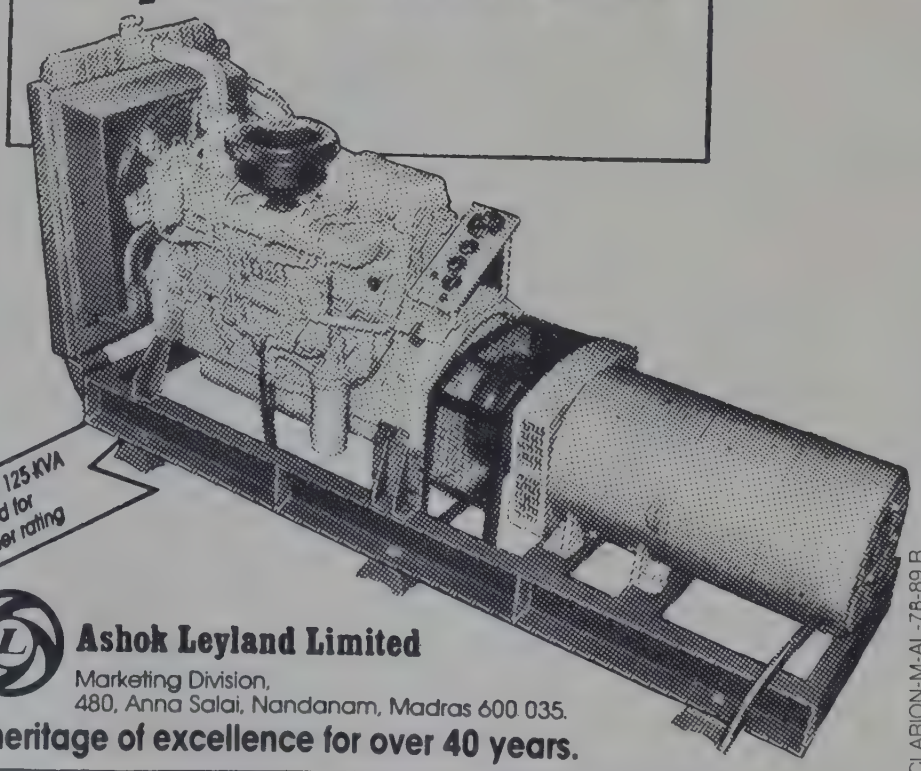
Ashok Leyland Genset Engine is your answer.

Ask anyone of the several thousand users of Ashok Leyland Genset engines to know how best it combats power problems.

You will get the answer that Ashok Leyland Genset engines are:

- **Reliable**
- **Economical**
- **Easy to maintain**
- **Readily serviceable**
- **Backed up by easy availability of spare parts**

For further details, please contact your nearest Genset OEMs or Ashok Leyland offices.



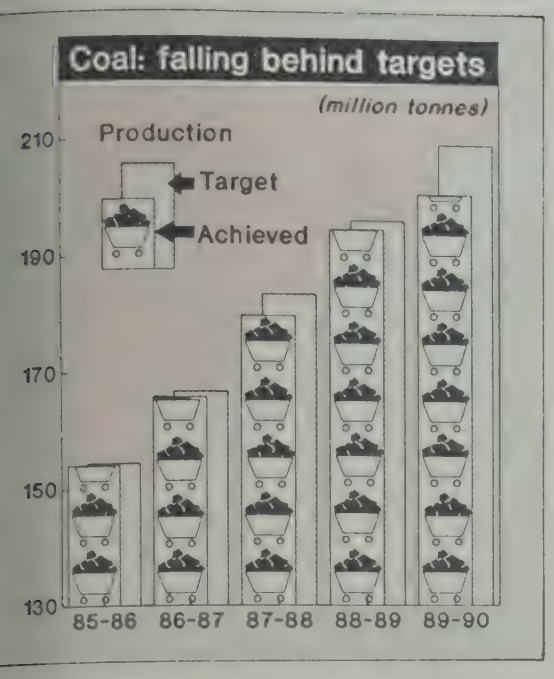
Ashok Leyland Limited

Marketing Division,
480, Anna Salai, Nandanam, Madras 600 035.

A heritage of excellence for over 40 years.

CLARION-M-AL-78-89 R

King Coal rules again



The Gulf crisis has brought into sharp focus the urgent need to reduce dependence on oil as a source of energy. Since industry as a whole accounts for nearly two-thirds of the total oil consumption in the country, it is in this sector that its consumption has to be reduced. If consumption of oil has to be reduced then what is the alternate source of energy? In the case of India the answer is: coal.

India has one of the largest reserves of coal in the world — 186 billion tonnes, as on January 1990. These include all types of coal in seams, exceeding 0.5 metres in thickness and occurring within a depth of 1,200 metres. But of this, only 56 billion or 30 per cent were proven reserves; an increase of 4 billion tonnes over the previous year. These reserves are mainly concentrated in the state of Bihar (61 billion tonnes) which accounts for about a third of the total reserves in the country. The other states with coal deposits are Orissa, Madhya Pradesh and West Bengal which account for 44 billion tonnes, 33 billion tonnes and 30 billion tonnes respectively.

Of the 186 billion tonnes of total coal reserves, only about 30 billion tonnes are of the coking coal variety which is used in steel production. Also, a large proportion of the remaining 156 billion tonnes comprises of poor quality coal.

Production trends

Total coal production increased at a rate of around 4 per cent every year between 1960-61 and 1971 (when coal mines were nationalised). In the post nationalisation period, the growth rate has been a little over 5 per cent per annum. Increase in production of coking coal has been quicker, at around 8 per cent a year, owing to high demand.

Nevertheless, production figures do not give a clear picture because they do not differentiate between the different qualities of coal which have varying intensities on heating. For instance, in 1980-81, A and B grade coal (of higher grade) accounted for nearly 42 per cent of total production but by 1989-90, production of these two grades declined to 16 per cent. Also, the production figures are not for saleable coal but for that which is at the pithead. The coal at the pithead includes stone and shale and in recent years major coal users have complained bitterly about a rise in the content of stone and shale in coal.

In actual terms coal production rose from 70 million tonnes in 1970-71 to about 100 million tonnes by 1975-76. In 1985-86 it crossed the 150 million tonne mark and in 1989-90 production was 200.85 million tonnes, up 8.3 per cent over the previous year.

Despite growth, production has consistently fallen short of annual targets during the Seventh Plan largely because of lower productivity. Even though opencast mining has increased considerably in recent years, around a third of the coal production still comes from underground mines where productivity levels are low. In 1989-90, productivity at Coal India's underground mines was 0.52 tonnes of coal per manshift, compared to 2.87 tonnes per manshift in opencast mines. If one compares Indian productivity with those at mines abroad one notices that there is ample scope for improvement not only in the underground mines but also in the opencast mines.

Unused coal

It has also been reported that Coal India has idle capacity to the tune of 28 million tonnes in 1989-90, of which around 8 million tonnes is in underground mines and around 20 million tonnes in opencast mines. By not investing the amount required to improve conditions in both opencast and underground mines, there is underutilisation and thousands of crores are supposedly lying idle. Production is also hampered by various other factors.

The coal production target for 1990-91 has been fixed at 221 million tonnes. But even this will not be sufficient to meet the demand, estimated to be in the range of 230 to 235 million tonnes. The gap between demand and production is expected to be met by pithead stocks and imports of coking coal. Though imports of coking coal will continue even in the future, the need to step up production by increasing productivity, capacity utilisation while reducing other impediments in absolutely vital.

ASPI CONTRACTOR

■

SHARE THE SUCCESS

INNOVATION

WITH GIIC'S INNOVATIVE INSIGHT

In Ventures Financed by WORLD BANK, IDBI, UTI, Banks & others. And GIIC.

GIIC has always played a pioneering role. And displayed this capacity in many of the projects that it has financed or promoted. Like Plastics or Oil Technology. Or Wind Farms. And the promising field of Electronics.

GIIC has shown that very special talent to spot the potential winners and provide them the resources for success.



GIIC has now set up a separate company, **Gujarat Venture Finance Limited (GVFL)** with a trust fund of Rs. 24 crores to finance hi-tech, high risk but high profit projects between Rs. 25 lakhs and Rs. 2 crores anywhere in India.

The assistance is not restricted to new companies but also includes proposals for commercialisation of R & D efforts, Process Improvement, Expansion & Diversification of existing companies too.

To meet the special needs of such projects, GVFL has created innovative financial instruments like Conditional Loans, Income Notes, Cumulative and Convertible Preference Shares apart from conventional financing like Equity and Term loans.

GVFL will maintain a reposito technologies developed and available in the country and w also support non-conventiona fields like development of Computer Software.

GVFL will not restrict its role t of a financer, but will provide a assistance during implementa and operations if the need ari It will also maintain panels of renowned management and financial experts as well as Scientists & Technocrats whos services will be available to th assisted projects.

GVFL has a vision. And a commitment.
To bring success within reach.

Financial Assistance Schemes

GIIC has 3 major financing schemes. Equipment Refinance Scheme, Modernisation Scheme and Se Capital Financing to suit the different requiremen industrialists. These have now been revised. For project costs it has been increased from **Rs. 300 l to Rs. 500 lakhs**. Individual sanctioning limits up from **Rs. 90 lakhs to Rs. 150 lakhs**, for **Equipment Refinance Scheme** it has been raised from **Rs. 100 lakhs to Rs. 150 lakhs.**

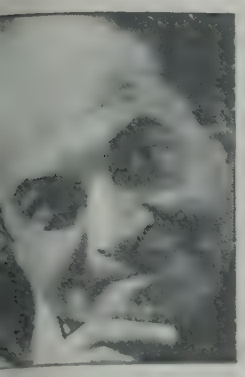
GIIC provides a Single Window System for providi speedy and satisfactory service to entrepreneurs.

GIIC - Success through Success

Gujarat Industrial Investment Corporation Limited

Chunibhai Chambers, Behind Dipali Cinema, Ashram Road, Ahmedabad - 380 009 Phone : 401302 – 7 & 9
Telex : 0121-6448 Fax : 91-0272-402561

The economics of reservation



Horror at the deaths of the young men who have so tragically immolated themselves, should not lead us to dismiss the arguments in favour of reservation of jobs for the scheduled castes. There is a long history n economics that human capital increases by learning, and an important aspect of learning is doing. Even when ompetition is fair, members of the scheduled castes believe that they stand little hance against those who will be perceived to possess better educational and ocial qualifications. The power of prejudice is felt very much more devastatingly n the labour markets than in the market or goods. To redress the balance they seek protection against competition just as our ndustries do, and that is what reservation n the job markets is all about.

Indian producers in both the public and private sector should understand these arguments, because for the last 40 years and more they have been pleading a similar case and they have succeeded in persuading the government that they deserve protection in the goods market. The reasons they give are similar to those put forward by the reservationists. How can a poor country compete against rich countries? How can a technically backward nation be asked to pit its people's skills against the experience and power of the developed world? Then there is the familiar 'infant industry' argument — a new industry is difficult to establish in the face of competition from abroad so it needs protection until it builds up sufficient strength to compete on an equal footing with its established rivals.

Familiar argument

The tune is one that every politician and civil servant in a developing country learns to play. It is like the music of the gods to them. Is it not odd for people accustomed to arguing like this to blame a group who are simply repeating these arguments in a slightly different context? To put it in purely economic terms, how is the case for reservation different from the case for industrial protection? And if the case for both is the same, how can we support protection and deny reservation?

One rather naive but powerful argument is the nationalist one; protection against foreigners can be justified on the simple grounds that they are not part of our community, we are equally ready to protect small scale industries against large ones, backward areas against developed areas, the public sector against the private sector; come to it we will protect any producer who can argue even on specious economic grounds for his particular cause.

Much before Gandhiji's *swadeshi* movement, import bans and the demand for unreasonably high protective customs duties were common fare, but once the politics of the movement for Independence came to be combined with the notion of learning by doing, there was no stopping the protectionists. Indian industry has held the field for forty years, but this cannot go on.

Ours is a society where everyone seeks special privileges: a successive set of governments have encouraged us to do so

The present system is too unfair; those who profit from it are the producers and those who lose are consumers. It is a common fallacy to believe that the burden of protection falls on the foreigner, in fact what really happens is that expensive goods are substituted for cheap ones and it is those who purchase these commodities that bear the cost.

No case for reservation

In the labour market, reservation is an exact mirror of protection in the goods market. The economic case for it is as good or as bad as the case for protection. It therefore does not behove businessmen to wax eloquent against the demand for reservation while they themselves continue to seek special treatment for their own products. There is something to the Christian teaching that asks men to cast out the beam from their own eyes so that they may see more clearly the mote in those of others. Ours is a society where everyone seeks special privileges, and we have had a successive set of governments which have encouraged us to do so. The scheduled castes are just one more special group trying to get the sort of cut that every other group has managed to secure.

In the final analysis, therefore, the case against reservation is not a moral one but an economic one. Like protection, reservation of jobs will do nothing but add to the inefficiency of the Indian economy. It will raise our already high costs because organisations will be compelled to give jobs for reasons which are unsound commercially. We have tampered too much and for too long with our system to be able to afford one more burden of this magnitude.

The answer is not to add to the list of special or privileged groups but to put an end to all the privileges that we have already granted. Like Ulysses on his long voyage home, our politicians must cause themselves to be tied to the mast, so that even when they hear the Siren Song that bids them help one group or another they will be powerless to do so. Of course the case for reservation put forward by the Mandal Commission is sound; but the truth is we can no longer afford it, just as we can no longer afford the special fertiliser subsidies for our farmers or the special protection we give to our producers.

Nonsense of protection

The time has come to put an end to the nonsense of protection in all its forms. We must push, and push hard, to make the economy competitive, and there simply is no point in waiting for the perfect moment to move away from a regulated economy. There are those who recommend a long slow transition from our regulated system to a regime of free competition, but these hesitant approaches to a free economy will not work. We need to move instantly from our system of administered prices, reservations, protection and subsidies to a freely competitive market system, but the managers of our economy are frightened to do so because protectionist policies have failed to provide us with the kind of strong industry that can compete.

And in the failure of protectionism lies a warning to reservationists. However attractive special favours may seem at the outset, experience shows that the consequence of avoiding competition is that one never learns to compete. If there is one thing that enhances human capital on a lasting basis, it is being able to do things in a freely competitive environment. To shirk that is a sure way of ensuring long term disaster for the community one seeks to protect.

LAKSHMI SYNTHETIC MACHINERY MANUFACTURERS LIMITED

Import substitution products for sunrise industr

THE PROJECT

Another first from Lakshmi Companies of Coimbatore - constantly upgrading textile machinery technology for over 40 years now. Lakshmi Synthetic Machinery Manufacturers Limited is fast coming up near Coimbatore - the heart of India's flourishing textile machinery industry.

The project will cater to the booming synthetic textile and plastic industries, now relying on imports. And bring about import substitution in a big way. These new generation machinery will help upgrade and boost production in the textile industry.

LSM will commence commercial production by March/ April 1991.

THE PROMISE

LSM makes its entrance in the face of growing demand from both textile and plastic industries. Lakshmi's years of experience and leadership now combine with the global expertise of BARMAG AG of West Germany in the textile and plastic industries. This financial and technical partnership with active participation by BARMAG promise LSM constant technological inflow..

BARMAG is already a trusted name in India. Their existing network here will now facilitate the easy marketing of LSM products.

YOUR OPPORTUNITY TO SHARE THE FORTUNES OF A NEW LAKSHM COMPANY FROM COIMBATORE - WITH TECHNICAL AND FINANCIAL PARTICIPATION BY WORLD LEADER barmag OF WEST GERMA

THE PURPOSE

You too can participate in this one of a kind venture. Share in the bright prospects of a new company promoted by : Lakshmi Mills Co. Ltd., Lakshmi Automatic Loom Works Ltd. and Lakshmi Card Clothing Manufacturing Co.Ltd. They have paid rich dividends to investors, with substantial appreciation in share values.

ISSUE OPENS:
Oct 22, 1990

PUBLIC ISSUE of 13,50,000 Equity Shares of Rs.10 each for cash at par

THE POINTERS TO PROSPERITY

- The latest venture from Lakshmi Companies of Coimbatore.
- First to manufacture Spinning Line for Synthetic Filament Yarn and Five Layer Blown Film Line in India.
- Boom time for synthetics - fast replacing cotton.
- Demand for Filament Yarn to double by 1995.
- Collaboration agreement with BARMAG AG of West Germany - The World Leaders.
- Equity participation of Rs. 120 lakhs by BARMAG AG.
- Managed by Board of Directors with proven ability, supported by experienced personnel.
- Commercial production by March/ April 1991.
- Listing at Madras and Bombay.
- 80L, 80M & 88A tax benefits.

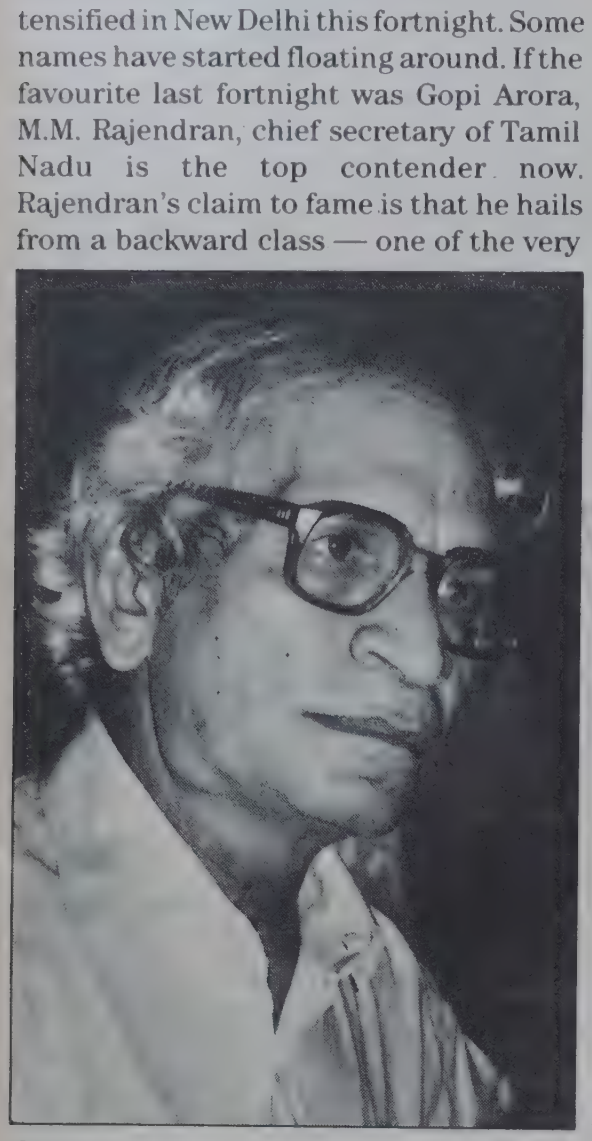
Managers to the Issue:

Indbank
Merchant Banking Services Ltd
A wholly owned subsidiary of Indian Bank
Regd. Office: 31, Rajaji Salai Madras 600 001

LAKSHMI SYNTHETIC MACHINERY MANUFACTURERS LTD
Regd. Office : 348, Avanashi Road
Coimbatore 641 037

Disquiet over a plum post

The controversy about who will become cabinet secretary if V.C. Pande retires intensified in New Delhi this fortnight. Some names have started floating around. If the favourite last fortnight was Gopi Arora, M.M. Rajendran, chief secretary of Tamil Nadu is the top contender now. Rajendran's claim to fame is that he hails from a backward class — one of the very



Gopi Arora: the favourite of yesterfortnight

few persons who have reached so high a level.

Rajendran's case is apparently being pushed forward by Tamil Nadu chief minister, M. Karunanidhi who wishes to extract his price from V.P. Singh for siding with him in the ongoing crises.

Rajendran, who belongs to the same batch (1957) of the IAS as Gopi Arora,is rated a competent officer. But what goes against him is the fact that he has very little experience in the Central government in Delhi (a small stint as a joint secretary in the Union welfare ministry, that too a decade ago), to stand by him.

And as such, many bureaucrats feel that he might be all at sea as cabinet secretary in the capital's corridors of power. However, he has the advantage of over two and a half years of service left and can therefore serve a long innings.

Bureaucrats are also apprehensive of Rajendran's entry as they feel this will send the wrong signals down the line of officialdom, that this government will only uphold the cause of the backward classes.

Meanwhile, the name of Union rural development secretary, S.R. Sankaran is also being mentioned as a possible replacement for Pande, perhaps, without the seriousness attached to Rajendran's name. Also from the 1957 batch, Sankaran has, in addition, an impressive record of working with singular devotion for the welfare of tribals in his home state of Andhra Pradesh.

Interestingly, if any of the three officers make it to the plum post, several officers of the earlier batches who are still in service will be a superseded.

The no-nonsense pal

Bureaucrats, as a matter of normal routine, manipulate ministers to achieve their own ends. But one minister who has a reputation for being no nonsense and who calls the shots is Arun Nehru. In fact, officers of the commerce ministry are mortally petrified of Arun Nehru. But all this does not mean that Nehru is not a friend of the bureaucracy. On the contrary, he is only too pleased to help if called upon to do so.



Last fortnight, officers of four Central services of the Government of India had the jitters. They thought their services were being downgraded, and went and pleaded their case with Nehru. The no-nonsense pal, of course, was very obliging, promising to take the cudgels on their behalf. At least, for the moment, the officers are breathing easy; they feel they have been able to thwart the move.

Not in the run

Though his name is not mentioned for the cabinet secretary's post, P.S. Krishnan is probably the messiah of the bac classes in the latest Mandal dram grapevine has it that it is he who, as welfare secretary, worked overtime t cess the recommendations of the M Commission and send a favourable, fact persuasive, note to the cabinet acceptance.

A forward-caste officer, Krishna longs to the 1957 batch and is also for his strong commitment to the w of the scheduled castes and tribes. well be that he is not in the run for t post as he has just two months retire.

Defogging the image

As India sheds its insular image, members of the international fina community are queueing up outsic North Block, to get a first hand view in what is today considered the "dar insula". The boys in the external con cial borrowing (division of the de ment of economic a in the finance mi are leaving no stor turned to clear fogg pressions about country.

First it was the dard and Poors then came Moody vestor Services. Cu visitors to the ca are members of th kyo-based Japan Research Institute were engaged in co ulations last wee "the real worth o Indian sub-contin As a prelude to the posed Samurai bon sue by the ONGC and the ICICI, this c rating agency from Japan is busy col ing and collating immense data tha eventually serve as inputs to wha hoped would be a favourable investr grade rating for India as a sover entity.

Once again, the team at the ECB Reddy, S.S. Ahluwalia and R. Krishna thy repeated their earlier performa and the Moody's team went away satis with an excellent presentation by this ernment department.









NASTY • NUOVO LOOK • TREND SETTER • MATCH MAKER SATINS • HI FASHIONS SUITINGS

Woolmark
PURE NEW WOOL
HI-COMFORT
WOOL

dinesh

THE CHOICE OF LEADING FASHION HOUSES, INTERNATIONAL

Authorised dealers: **GUWAHATI:** Jain Cloth House • Maruti • Shilpa Cut Piece Centre • **SHILLONG:** Hanuman Bux Motilal • Hanuman Bux

A car for those who have outgrown t





Accessories shown in the picture are not part of standard equipment.

A Limousine to every other car

Contract.HM.22160C

citement of touring the cocktail circuit.



To people who are a trifle bored of clinking glasses, and making polite conversation, the Contessa Classic offers an intoxicating escape route.

A fuel efficient 1.8 litre Isuzu engine helps place vast distances between them and the maddening crowd.

Five forward gears, including an overdrive, smoothly raise the speedometer to 120 km per hour.

An impressively responsive steering places them in complete control of any situation.

Power disc brakes help stop them in their tracks — safely and smoothly.

And, of course, a plush interior, an independent suspension and air conditioning are enough to give you a high of a totally different kind.

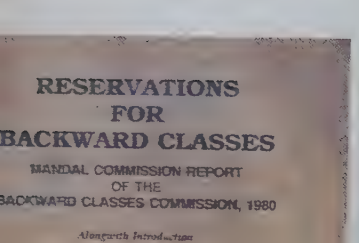
But there's really much more to the Contessa. So why not get in touch with us.

And taste a heady mix of refined luxury and raw power —poured into a car.

CONTESSA
Classic 1·8 GL

MANDAL COMMISSION

Pandora's box



Behind the violence, the burning and passions that this report has stirred lies the inevitabi of social change. V.P. Singh's decision to implement reservations is seen either as inspired electoral arithmetic or as a firm step to remove caste monopoly of public sector jobs. The question is: if the aim is backward class welfare, is the Mandal report the only route?

There is no black and white solution to the Mandal Report crisis any longer. Prime minister V.P. Singh, or for that matter any other politician inheriting his mantle will be damned if he withdraws Mandal, and damned if he does not.

Reservation is a much-needed right to correct historical wrongs. The issue, however, is affirmative action, which has a long legal and social history, not just in India but in the US too. All civil rights movements in the fifties and sixties sought positive action from the state to correct social disadvantages.

But the manner in which V.P. Singh has chosen to implement the report has even spoilt the case of the pro-reservationists. His abrupt tabling of the report without consulting senior leaders, who could then have created a more receptive atmosphere for it, has divided not only the opposition but the Janata Dal as well. Many who would have sided with him on the issue are now on the other side of the fence.

His quick fix — reserving central governm jobs for scheduled castes and tribes and b ward classes — to repair the rift in the Dal come unstuck. Dissident MPs in his own p mounted two signature campaigns against within a week. The number of signatories memorandum protesting his style of functio have mounted. Several others are talking to Y want Sinha, the Chandrashekhar loyalist wh leading the protest, everyday.

Bid at consolidation

The reason for the haste in tabling the repor the Lok Sabha is clear. On 2 August, former d uty prime minister Devi Lal was forced to resi Four days later, he announced a massive rall be held on 9 August at the Boat Club, just outs Parliament. And the Mandal Commission rep was pushed through in the House on 9 Aug Political analysts in Delhi say that the PM wan to consolidate himself with the backwards c



Police versus *stone-throwing agitators*

tuency — 52 per cent of the pulation — if he was forced call a mid-term poll.

In his haste to secure his n position, V.P. Singh de- led to forfeit a chance to nimise the anti-reservation cklash. The government d no time to use the media inform people of the con- oversial points of the re- rt. Sources in Doordarshan sclose that they had pre- ared a campaign propagat- g Mandal but were not given e time to air it. Students ere not told that in the first ase of implementation, res- vation did not apply to edu- tional institutions, that ly 40,000 jobs (officially) ould be affected, or even hich castes were on the beneficiary lists. Iron- ally, Rajeev Goswami, the first student who at- mpted to set fire to himself (which he has since enied) is from a caste on the list.

Before the report was tabled, Atal Behari Va- ayee, the BJP leader, had agreed with Singh that K. Advani's *rath yatra* would be a low-key affair nd the party would once again agree to defer the onstruction of the proposed temple at Ayodhya. ut BJP party leaders say that this decision was scinded at a meeting called hastily after reser- ations were announced as the party could not fford to let the valuable Hindu vote slip away.

According to J.P. Mathur, All-India General ecretary of the BJP, "We broadly support Mandal ut reservation should not exceed 50 per cent and here should be some reservation for the upper lass poor. The BJP would also like criteria hereby the maximum benefit goes to the most ackward of the backwards."

Two conflagrations

Besides all this, Singh's haste has also put the squeeze on one of his staunchest supporters, Mul- yam Singh Yadav. The UP chief minister, is now aced with a potentially explosive situation. He as to prevent two possible conflagrations simul- aneously — riots over caste (thanks to Mandal) nd riots over religion (the Ram Janambhoomi- abri Masjid dispute). A MLA in his party said: "I m for Mandal but it would have been easier for he CM if V.P. Singh had decided to table it in the ext session. Mulayam Singh would have got a reather between Ayodhya and Mandal then."

Meanwhile, the somersaults of the Con- ress(I), indicate the confusion it has been hrown into. There is a clear north-south divide n the issue. Rajiv Gandhi is reportedly against landal but most of the party's MPs are from the



A victim: only 40,000 jobs at stake

southern states. These MPs support the report as most southern parties have a majority backward class representation — the legacy of reservation imposed half a century ago. In the north it is the reverse — politics has been dominated by the upper castes of Brahmins, Rajputs and Kayasts.

For the moment, it seems that the Congress strategy will be to highlight that the party took the initiative on reservations in the fifties. This, and the argument that the present scheme does not go far enough since it excludes the economically backward among the forward castes, form the Congress' stance.

The left parties — with their main base among the *shudras* and *dalits* — have supported the report. But this base is strong only in pockets and thus hardly exploitable.



Historically, the Indian electorate has always cast a negative vote. Inflation and prices have been constant factors in elections. And the performance of the National Front government in these areas has been dismal. J.P. Mathur elaborates "This is not going to convert into an electoral gain for V.P. Singh. In the last elections, the Janata Dal got as many seats as it possibly could in the cow-belt states. How many more can it get?"

The Mandal report benefit politicians little, and neither does it help the backwards for whom it is intended. In any case, only about 50,000 jobs will be affected. And due to a lack of suitable candidates, not all may be filled (*see box*).



Paswan with the Singhs: "why not take advantage?"

No hurry

Meanwhile, the bureaucracy, always in favour of preserving the status quo and averse to radical change, is not in a hurry to implement the report. A secretary in the government says, "The bureaucracy will never openly oppose reservations but there will always be pockets of resistance." Social scientists see this as a result of upper caste domination of the officer cadre.

Much of the bureaucracy, though in favour of reservation, is also against the manner of its implementation. "This will spoil the chances of reservation becoming acceptable faster in the rural areas. Given time, we could have done something about it, at least to some extent."

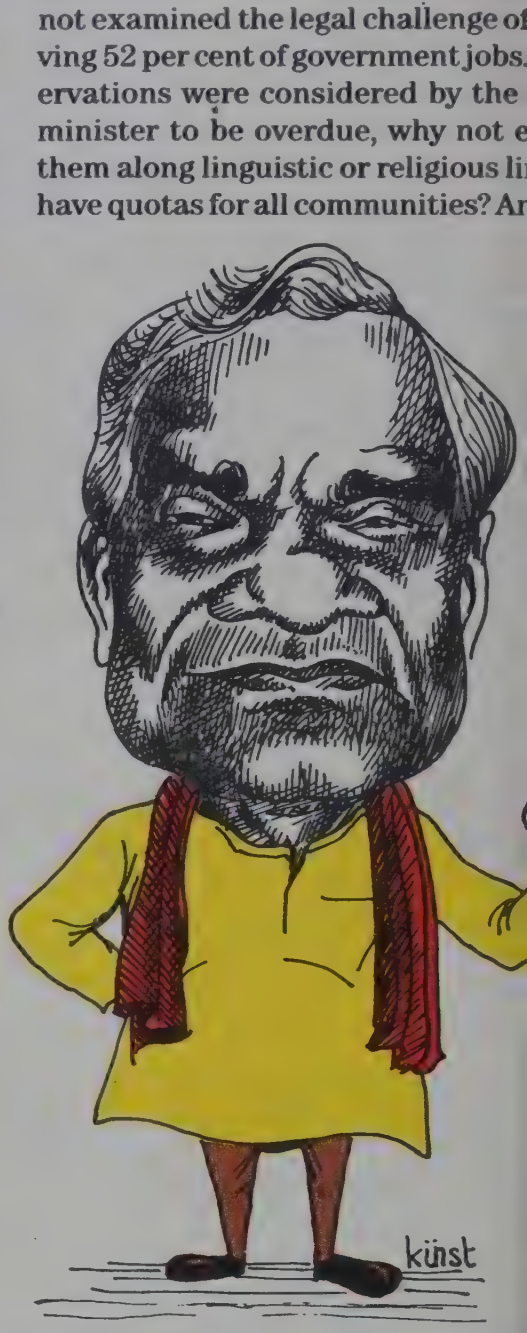
Another senior official says, "This is a patently unfair move which can be called reverse discrimination. But it can be foiled easily. All you have to do is stipulate a benchmark in terms of qualifications/marks obtained in a competitive examination and decree that a vacancy not filled in one year will not be carried forward to the next. By the former, not many backwards will qualify for a job. By the latter, reservations will be effectively withdrawn." According to the notification on the first phase of implementation, in fact, the reservation will not be extended to promotion. But several bureaucrats fear that this too will happen, once the backwards gain a stronghold.

Who benefits?

Even if they don't, there are questions about how many backwards will actually benefit. Analysts say the forward communities in the reserved categories (those who are actually well off) will corner a big slice of the cake. Rajesh Pilot, a former minister of state in the Congress (I) government, who is a backward, says: "Why should my son get the benefit of reservations? He lives in an air-conditioned room and travels in a Maruti." Welfare and labour minister Ram Vilas Paswan, however, commented, "So what if the relatively better off among the backwards take advantage. It is always so. But slowly the benefits will reach lower down."

What is apparent is that V.P. Singh — for all his emotional rhetoric and affirmations of his commitment Lohia's socialism — is not concerned with the poorest of the poor. Mahatma Gandhi, a firm believer in reservations, had broached the concept of the *antodayan* — when a leader was planning any policy change, he must consider whether it would benefit the last man in the line. In its present shape, implementing the Mandal regard will hardly benefit this "last man". This is because he will be unable to compete even for the reserved seat as reservations for these castes has not yet been extended to education.

Some political analysts even whether Singh is sincere about re tions. In their opinion, he may just ing the backwards for an emotional gain votes. Otherwise, they ask, why not examined the legal challenge of ving 52 per cent of government jobs. ervations were considered by the minister to be overdue, why not e them along linguistic or religious li have quotas for all communities? An



have reservations not been extend the army or technical services?

Thus far, reservation notifications not been sent to the public sector, th the PMO is pressuring them to fill exi quotas with SC/STs. In an effort t these, recent advertisements in newspapers have asked for applica from SC/ST candidates. But the problem here is that in the technical gory, the PSUs are unable to get en SC/ST candidates. This is why, exp Paswan, the latest reservation has been extended to technical jobs.

There is growing apprehension that ervation will affect the quality of pu administration. A government off says, "As it is, the administration in country is supposed to be lax. You imagine what will happen when undes

The Report

The Backward Classes Commission, chaired by B.P. Mandal, was set up in January 1979 and started its work from March of the same year. The final report, with recommendations, was submitted to the government in 1980 after the commission was given three extensions. Including Mandal, all the six members of the commission came from backward classes. Other than the fact that the recommendations were based on census figures of a period long passed, none of the 16 states and two Union territories which had notified other backward classes (OBC) lists furnished these. The question therefore arises: To what extent can people accept a report and its recommendations based on, as the authors themselves admit, scanty and outdated information?

The report's shortcomings apart, some of its observations provide an insight into the thought process behind the recommendations. For instance, it suggests that reservations are essential if only to "give OBCs an immediate feeling of participation in the governance of this country". Further, "Hindu society has always operated a very rigorous scheme of reservation internalised through the caste system. Eklavya lost his thumb and Shambhuk his neck for breach of caste rules of reservations. The present furore against reservations for OBCs is not aimed at the principle itself, but against the new class of beneficiaries, as they are now clamouring for a share of the opportunities which were all along monopolised by the higher castes..."

To come to the meat of the report — the recommendations — the suggested scheme of reservations for OBCs is as follows:

"In view of this legal constraint" (requiring that the quantum of reservations should not exceed 50 per cent of all central government posts) "the commission is obliged to recommend a reservation of 27 per cent only" (for OBCs) "even though their population is almost twice this figure...

"With the above general recommendation regarding the quantum of reservation, the commission proposes the following overall scheme of reservation for OBCs:

- Candidates belonging to OBCs recruited on the basis of merit in an open competition should not be adjusted against the reservation quota of 27 per cent.
- The above reservation should also be made applicable to promotion quota at all levels.
- Reserved quota, remaining unfulfilled, should be carried forward for a period of three years and then dereserved.
- Relaxation in the upper age limit for direct recruitment should be extended to the candidates of OBCs in the same manner as in case of SC/STs.
- A roster system should be adopted for each category of posts like in case of SC/STs.

The posts, the report says, will be reserved in all public sector undertakings (state and Central) and nationalised banks, private sector undertakings receiving financial aid from the government, all universities and affiliated colleges.

The government, meanwhile, has proposed that the first phase of the reservation scheme will bring about reservations only for the first and the second class Central government posts. The state governments have been given the flexibility to implement the recommendations for the state enterprises, if they want to.

■ RAHUL SHARMA

ıg quota candidates come in in large umbers."

The Mandal Commission itself antipated this problem. Agreeing that "to a oint" this apprehension was justified, it ent on to say "... at present, top echelons f all government services are manned redominantly by open competition canidates and if the performance of our beaucracy is any indication, it has not xactly covered itself with glory."

Evaluating merit

lowever, a senior IAS officer with over hree decades' service says: "After all, how o you evaluate merit? The concept of nerit in this country revolves around the erceptions of the higher castes which are iased towards intellectual attainment, ather than the ability to do a job." Deputy peaker Thambidurai, of the AIADMK, is ven more matter-of-fact: "What great nerit is needed for the majority of bureauratic jobs? All they (bureaucrats) have to o is sign files and pass on. You don't need he brains of an Einstein for that."

However strident the pro-reservationists are, it is clear that merit will be at a discount once the report is implemented. This apart, many analysts point out that if the government's desire to aid backward castes was bonafide, it would have started with reservations in education. Says one "If those from the underprivileged sections were trained to a certain level, it would enable them to compete for higher positions in the government on their own merit."

When queried on education, Paswan said: "We thought of introducing reservations in the education system but refrained from doing so. The severe backlash caused by reservations in medical colleges in Gujarat a few years ago was what we didn't want."

Though, in the short run, nobody gains from Mandal reservations, in the long run the complexion of north Indian politics could change dramatically. Madhu Limaye sees a "change in social structure". In a few years, those from the backward castes will become dominant, as has happened in the south, particularly Tamil Nadu. It is interesting to note that this



A memorial to Mandal 'martyrs' in Delhi

Khazana
FOR MEN



48 HOUR CUSTOM TAILORING. JODHPURS, ACHKANS, SUITS, READYMADE JACKETS, SHIRTS, KURTAS. DESIGNER TIES, CRAVATS, DRESSING GOWNS, ACCESSORIES, BELTS, WALLETS, CUFF LINKS, BRIEFCASES, LUGGAGE. HIGH QUALITY, SUPERB FINISH, EXCELLENT VALUE. 9 AM TO 9 PM, 7 DAYS A WEEK.

THERE'S MUCH MORE AT KHAZANA.

Khazana

House of Indian Treasure

TAJ MAHAL HOTEL, NEW DELHI. TAJ PALACE INTERCONTINENTAL HOTEL, NEW DELHI. TAJ VIEW HOTEL, AGRA. JAI MAHAL PALACE HOTEL, JAIPUR

rocess of social change actually started the Hindi belt in the fifties and sixties, ith Ram Manohar Lohia and the CPI try- ng to consolidate the backward vote anks. In a way V.P. Singh has concluded ne process. If he hadn't, it would have appened anyway, even if after some ears.

Political analyst Pran Chopra also sees a ew combination — scheduled castes and ackward classes — radically changing lectoral politics in the long run. The tre- nendous anti-reservation backlash is, in a ay, proof of the radical change that it romises. A public administrator elabo- ates: "Forward castes, because of their maller numbers, have over the years lost direct role in the administration of the ountry through the electoral process. But hey have continued to play an indirect ole through the bureaucracy. Now this osition is also being threatened."

One of the Mandal Commission's rec- mmendations, which was not accepted y the government, was that job reserva- ions be extended to the private sector in



Crossing an agni rekha *to attack the police: frenzied backlash*

the same magnitude as that in the public sector. The country's banks are practically in the hands of the state. If this recommendation is pushed through — by future backward dominated interests — practically all industrialists would be affected. Paswan skirted the issue: "In the first phase, we introduced reservations only for what we thought would not be protested against much."

More labour, less work

Though the country has been rocked by violent anti-reservation agitations and horrified by students setting themselves ablaze in protest, no more than 50,000 jobs annually will be affected by the implementation of the Mandal report. This estimate is easily arrived at by using the available figures for employment in the organised sector.

In 1989, the last year for which employment data in the organised sector is available, there were 185,000 fresh entrants into the public sector and total employed increased from 18.3 million in 1988 to 18.5 million in 1989. If employment grows at the same rate in 1991, then a 22.5 per cent reservation in jobs (as has existed for scheduled castes and scheduled tribes) would mean reserving 42,000 jobs.

A 49.5 per cent reservation, on the other hand, would lead to 92,000 jobs being reserved — an additional 50,000 jobs. That figure is large in relation to the 300,000 jobs generated by the organised sector each year.

However, there will be 50,000 jobs only if all state governments agree to the 49.5 per cent reservation. Since the decision to implement Mandal reservations has been left to the state governments' discretion, it is likely that employment opportunities only in the central sector (government and public enterprises) will be affected, initially at least. Since only 42,000 jobs were added in the central sector in 1989-90, under Mandal, 20,790 will be reserved versus the 9,450 (22.5 per cent) earlier.

A bias will remain. According to some analysts, these jobs may not all go to those for whom they are meant. Says B.D. Sharma, commissioner for SCs and STs, government of India, "There is a bias against SCs and STs with the upper castes controlling the recruitment exercises."

The experience with reservations has been that general positions across levels for which there are quotas have been filled. Technical positions have remained vacant as appropriately qualified candidates are not available. This phenomenon could be repeated in the case of the new quotas.

Public sector undertakings (PSUs) themselves are a little uncertain about recruitment laws. Hitherto, they advertised only once and if applicants didn't have the desired qualifications, the positions were filled by non SC/ST candidates. But over the last year, PSUs have advertised often with no desired responses. In such circumstances, they have no clear instructions for how these posts are to be filled.

Awareness of the complexities of implementing the Mandal recommendations is just dawning. Even two months after the intention to implement the report was announced, the PSUs have no plan to ensure that quotas are actually filled. Conceiving and executing such a plan could take up to, and possibly over, a year. While the Planning Commission has been eloquent on rural employment, it hasn't been as fluent about the urban problem. As a Planning Commission official admitted, "We had never thought of unemployment in such a divided fashion; between sectors yes, but not urban and rural."

If Mandal is still stoking passions it is because of growing unemployment, especially in urban areas. "Employment is really the issue, not reservation," says Ajit Dasgupta of the Institute of Applied Manpower Research. That is the perception of most economists.

Jobless, in villages and cities. Almost 13.2 million Indians were unemployed at the end of the Sixth Plan period in 1985. In the Seventh Plan, this figure grew to 19.7 million. Data on unemployment, even though notoriously unreliable, indicates that 9.26 per cent of urban Indians (7.57 million) were unemployed as against 5.25



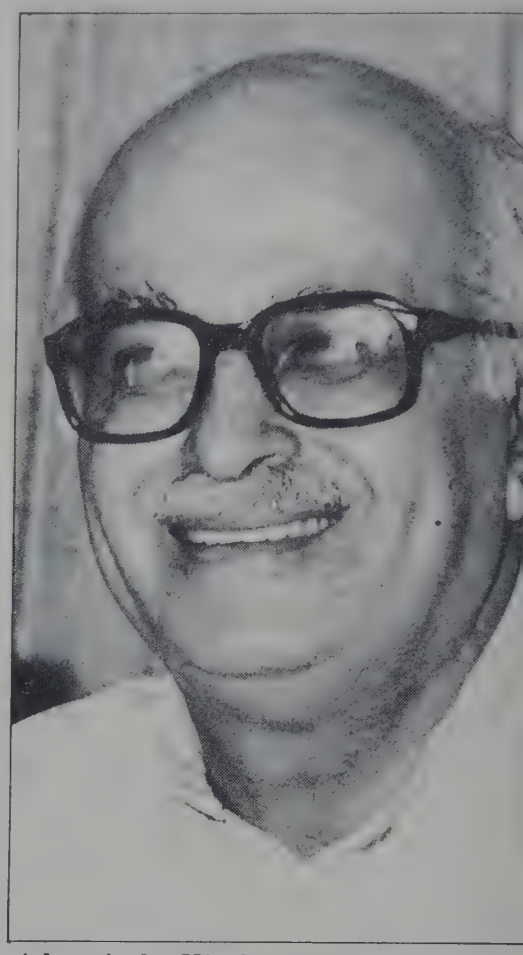
Sharad Yadav: no going back

Meanwhile, in anticipation of such a move, FICCI and Assocham condemned the implementation of the report in a joint statement. And noted industrialist K.K. Birla told *Business India:* "I am totally against reservations. It erodes merit. If necessary, give economic incentives."

While the pro- and anti-reservation movements rage at each other, criticism of the prime minister has grown. The most common feeling is that he has taken the loss of young lives far too lightly.

At a more mundane level, though these lives cannot be measured in rupees, the disruption to economic activity has been great. Says Vidyanidhi Dalmia, member of the Punjab-Haryana-Delhi Chambers of Commerce, "There has been a loss of business opportunity. A guesstimate of a loss of several thousand crore so far will not be entirely off the mark."

Frequent bandhs called in the northern states — Haryana, Punjab, Himachal Pradesh, Rajasthan, Bihar and Uttar Pradesh — brought business activity to a halt. The industrial town of Faridabad in



Advani: the Hindu vote is valuable

per cent of rural Indians (12.34 million). In India, however, urban unemployment is really a spillover of rural unemployment — jobless villagers migrating to cities.

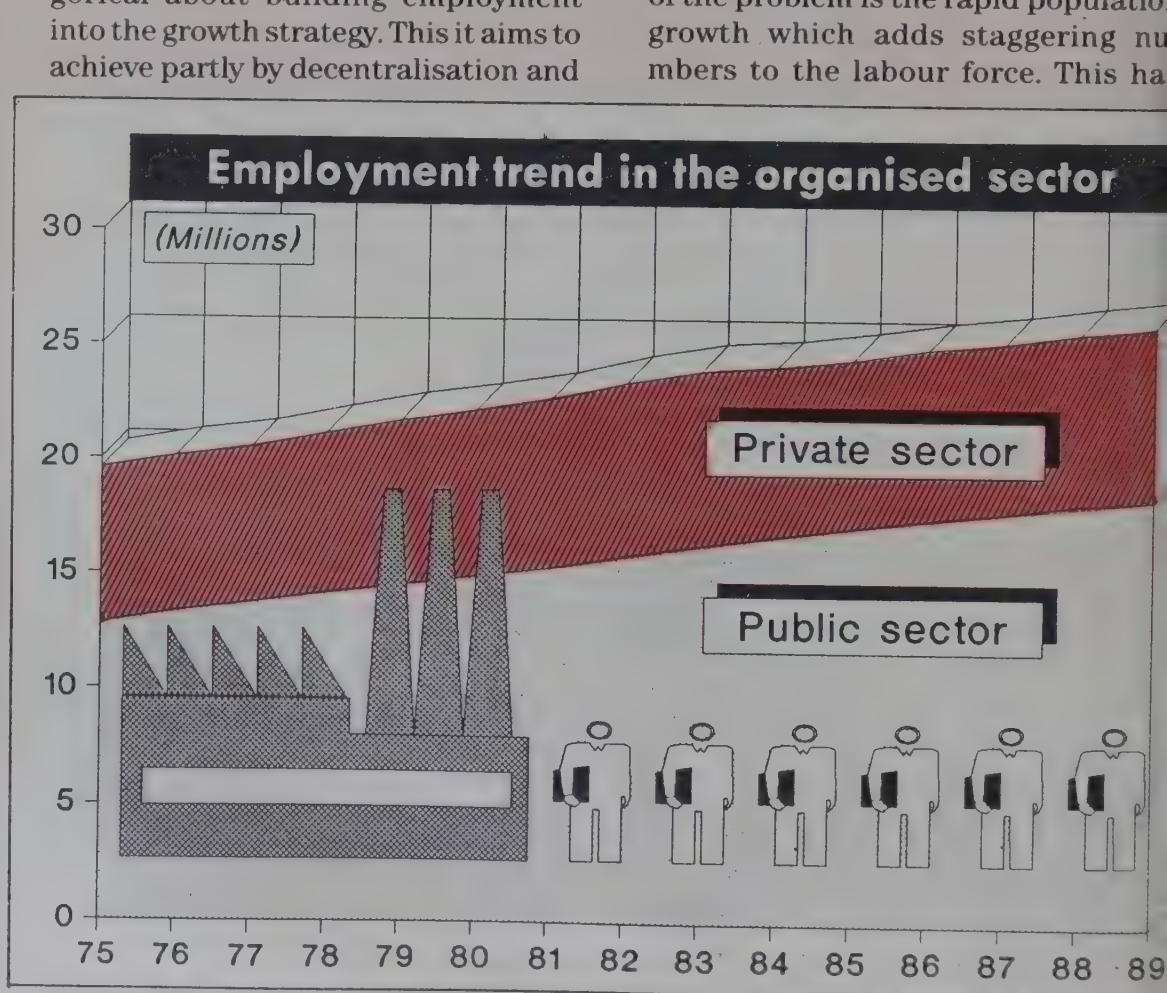
Nevertheless, economists add that reservations may be redressing two inequalities. Deprived sections are sought to be empowered by increasing their presence within the government. This follows from the assumption that much discretionary power in India rests with the government. That would make reservation necessary even in conditions of full employment.

Otherwise, as in conditions of widespread unemployment, a larger proportion of certain sections of society fail to find employment. It is more likely that it is the latter problem that reservation is hoping to correct. "It is this preference which is complicating the issue," says a Planning Commission spokesman.

Meanwhile, the unemployment problem is going to worsen in the next few years. Another 37 million will be added to the labour force between 1990-95 and another 41 million between 1995-2000. This will mean that the economy must create opportunities to absorb 106 million over the next decade — most of them in the urban sector.

To accomplish that, employment must grow at a compound annual rate of 3 per cent over the next 10 years. Judging by the figures of the eighties, this is a formidable task. The Eighth Plan recognises this and is fairly categorical about building employment into the growth strategy. This it aims to achieve partly by decentralisation and partly by investing 50 per cent of bud getary resources in agriculture.

Growing unemployment. Worse, ove the last decade and especially over th last five years, the unemploymen problem has become more severe. Par of the problem is the rapid populatio growth which adds staggering nu mbers to the labour force. This ha



yana didn't work for seven working s, according to a Faridabad based ier. Transportation on roads to Delhi stopped for almost a week, affecting nufacturing trade and distribution. it Chaturvedi of Hero Honda Motors, ch has its works at Dharuhera in Hary-, says: "Due to the trouble, we pro-ed only 900 motorcycles in September inst a potential of 10,800."

Haryana Roadways and DTC lost an esti-ted Rs.8 crore from damages and non-eration. Northern Railway lost a hefty 30 crore due to damage of coaches, mmunication equipment and other perties. Says an officer in the division, ne operational losses can only be essed at this stage, but considering the ltiplier effect of the disruption in the rthern and eastern sectors, we may face ghtening figure at the end of the year."

For V.P. Singh, it is too late to settle for a egorical solution to the Mandal crisis. servation according to Mandal mili-es against the secular idea, as also ainst the Constitutional guidelines against non-discrimination.

The only hope for the prime minister lies in quickening the pace of economic change. Reservation is not the disease but a symptom of a deeper malaise — unemployment. Forcing the pace through Mandal is not the answer; social change, after all, accompanies economic liberalisation.

■ RUCHIRA GUPTA and KINGSHUK NAG



Taking up battle positions to battle the mobs

been matched by diminishing job opportunities, relatively, in the organised sector. In the last few years, many government jobs have been frozen unfilled due to lack of funds.

In 1984-89, employment in the organised sector went up from 24.21 million to only 25.98 million. In the same period public sector employment (including both central and state government and public undertakings at the centre and in the states) grew from 16.86 million to 18.50 million.

Comparatively, private sector employment barely crawled from 7.34 million to 7.47 million in the same period. In fact, if 1982 is taken as the base year, employment in the private sector actually fell from a level of 7.54 million. Taking both the organised and unorganised sectors, employment growth actually decelerated during the eighties. It was 2.82 per cent during 1978-83 and only 1.55 per cent during 1983 to 1987-88.

In the next five years, the government will face various constraints — scarce foreign exchange, strained domestic resources (the budget deficit) and poor returns from public sector investments. The latter two taken together imply that government expenditure must be curtailed. That can only mean declining employment in the government sector, hitherto the major employer in the organised sector.

Where then will future employment be added? The unorganised and the small sectors have traditionally shown the capacity to generate such employment even if at a slightly higher cost. Between 1971 and 1981, employment in unorganised enterprises increased by 84.5 per cent, while in the organised sector the increase was only 42.2 per cent.

The government nevertheless plans to tap the private sector to create 3 million jobs by 1994-95. The Industrial Training Institutes will be expanded to add 10,000 extra seats per year and the private sector will be encouraged to set up more such institutions too. This will be supplemented by self-employment schemes funded by financial institutions.

Services can absorb labour. The services sector is another which has performed impressively. Since the first plan it has grown at an average rate of 6-7 per cent and that trend has continued well into the eighties. About 625,000 computer professionals alone will be needed over the next four years. Consumer electronics can absorb another 50,000 jobs.

Says T.K. Bhaumik, assistant secretary of the Punjab-Haryana-Delhi Chamber of Commerce, "Inadequate job creations in the organised sector is leading to frustration among the urban educated youth. They are churned out in the thousands by our universities. The problem is aggravated by rising costs of living which make it necessary for more than one person in a household to search for a job."

According to economists, a virtual stagnation in employment growth in the organised manufacturing sector, especially the private sector, is explained by the modernisation and restructuring of Indian industry. Says Bhaumik, "Modernisation has meant that labour is rendered surplus. These workers have not been sacked but have been absorbed by expansion programmes that accompany modernisation. But this has meant little growth in opportunities for fresh job seekers."

Emerging new industries like electronics aren't as labour intensive (as, say, a steel plant) thereby also limiting future employment opportunities. The growing incidence of industrial sickness (again an indication of the process of industrial restructuring), strikes and lock-outs are all responsible for adding to the growing ranks of the unemployed.

■ ARIF SHARIF, KINGSHUK NAG and ANIRUDDHA MOOKERJEE

H D F C

Offers you
Rights to Profits



MANAGERS TO THE ISSUE

SBI CAPITAL MARKETS LIMITED
202, Maker Tower E, Cuffe Parade
Bombay 400 005.

CANBANK FINANCIAL SERVICES LIMITED
115, Atlanta, Nariman Point
Bombay 400 021.

FINANCIAL ADVISOR

IND GLOBAL FINANCIAL TRUST
1513, Maker Chambers V
Nariman Point, Bombay 400 021.

Rights Issue Closes on November 9, 1990

RIGHTS ISSUE

10,00,000 Equity Shares of Rs. 100 each for cash at a premium of Rs. 75

PUBLIC ISSUE

14,50,000 Equity Shares of Rs. 100 each for cash at a premium of Rs. 85

HDFC has made Housing Finance a fine art. Its ul management of funds has helped over 4 lakh lies to acquire a home of their own, and has to date oved loans exceeding Rs.2000 crores. HDFC's ormance in this major investment sector has been sistently excellent on an expanding base. Just take k at the Financial Highlights. It's a happy picture of nily of over 45 thousand shareholders sharing sperity.

Now, you have the opportunity to strengthen your d with HDFC. Read on and consider its performance etail. You will find it an even more profitable stment.

ghlights

A high growth company operating in a high growth market.
Solid built-up reserves.
Increasing returns, rising book value and growing earnings per share.
Rapidly expanding resource base.
Network of 25 branches throughout the country.
Interest concession on housing loans to shareholders.

Financial Highlights

- ☐ Profit after tax: an increase of 167% in the year 1989-90 over the year 1986-87.
- ☐ Assets: Rs. 1385.60 crores - 4th largest in India.*
- ☐ Networth: Rs. 84.97 crores as of March 31, 1990.
- ☐ Book Value: increased from Rs. 215 per share, as on June 30, 1987 to Rs. 424 per share as on March 31, 1990.
- ☐ Earnings per share: steadily increased from Rs.46.24 for the year 1986-87 to Rs.123.60 for the year 1989-90.
- ☐ Attractive offer price of Rs. 175 per share for shareholders and Rs. 185 per share for public, against the market price of Rs. 440** per share.

* *Source:- Business India - September, 1990.*
** *As on October 4, 1990 at the Bombay Stock Exchange.*

H·D·F·C

HOUSING DEVELOPMENT FINANCE CORPORATION LIMITED

Regd. Office: Ramon House, 169, Backbay Reclamation, Bombay 400 020.
Tel.Nos.: 220265, 220282, 220908, 231146, 231054 Gram: HOUSCORP. Telex: HDFC 86762.

With you, right through

PRINCIPAL BROKERS TO THE ISSUE

B SECURITIES PVT LTD
1, Maker Chambers III
rriman Point, Bombay 400 021.

D S PURBHOODAS & CO
1107, Stock Exchange Towers
Dalal Street, Bombay 400 023.

Public Issue of Equity Opens on November 12, 19

MANGALORE CHEMICALS & FERTILISERS

A smooth takeover

Vijay Mallya's long standing dream is finally realised as he adds this company to his stable

It is a day he will always remember. On 27 September 1990, industrialist Vijay Mallya formally took over the chairmanship of Mangalore Chemicals & Fertilisers (MCF). On that day, N.B.Chandran, the former chairman of Fertilisers and Chemicals Travancore Limited (FACT), was also appointed as the managing director of MCF. Both Mallya and Chandran have been nominated by the Karnataka State Industrial Investment & Development Corporation (KSIIDC), MCF's largest shareholder.

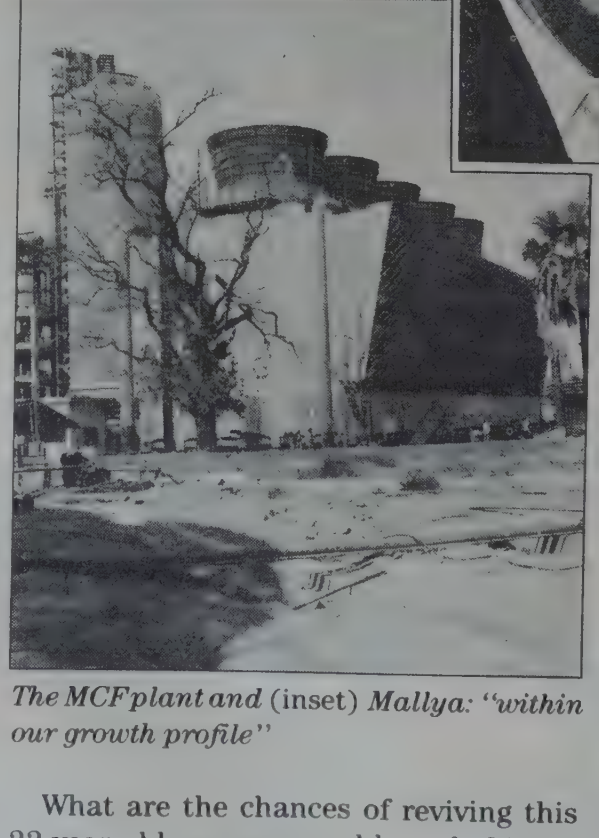
KSIIDC recently increased its share in MCF by investing Rs.10 crore more, which increases the stake of the state government agencies, including KSIIDC, from 24.36 to 56 per cent. According to reliable sources, the money which KSIIDC has put into MCF is actually Mallya's. (It is learnt that KSIIDC and MCF have signed a MoU to the effect that the shares which KSIIDC will acquire will ultimately be sold off to Mallya). The sources add that this strategy had to be adopted because the Controller of Capital Issues (CCI) objected to Mallya's picking up shares on a private placement basis because he was not a promoter of the company. Local politicians too were opposed to the entry of the UB group and reportedly, even finance minister Madhu Dandavate was not enamoured with the idea.

Easy acquisition

The UB group is expected to garner a large chunk of shares in the forthcoming rights issue to be announced in November. The group will also underwrite the entire rights issue. "At the end, the UB group's holding in MCF will be around 66 per cent," says Mallya. Explaining his interest in the company, Mallya says, "Fertiliser is an area within our growth profile." Another reason could be the ease with which Mallya has been able to acquire a fully operational project. While a new fertiliser project of the size of MCF (capacity: 1,030 tonnes of urea per day) is expected to cost Rs.450 crore, Mallya has brought in Rs.10 crore into his new acquisition and is expected to follow up with only about another Rs.20 crore. But according to industry sources, acquiring MCF seems to be Mallya's first step towards bagging a bigger prize — one of the downstream projects of the proposed Mangalore Refinery. Says Mallya, "The downstream projects of Mangalore Refinery also matter to us."

In May this year, the Karnataka government had invited revival packages from seven companies and UB's was the best offer. In 1988-89, MCF had reported a loss of Rs.33.31 crore on sales of Rs.224 crore. Its total liability at that time was Rs.348 crore. As per the revival package, UB will not seek writing off MCF's liabilities but it has requested IDBI to reschedule the repayment. Other features include granting of term loans at a reduced rate of interest by the financial institutions. "The financial institutions have also agreed to finance the modernisation plans to the tune of more than Rs.35 crore," says Mallya.





The MCF plant and (inset) *Mallya: "within our growth profile"*

What are the chances of reviving this 23-year-old company and how do Mallya and Chandran propose to turn it around? For Mallya, one of the best decisions taken was roping in Chandran. The chairman and managing director of FACT between 1983 and 1990, he is largely credited with reviving the fortunes of this public sector giant. Before Chandran took over FACT, it had an accumulated loss of Rs.73 crore. But during his seven year stint there rewrote the fortunes of the company by 1989-90, its reserves had swelle Rs.16 crore. All the accumulated lo had been written off and FACT er March 1989-90 with a profit before ta Rs.3.56 crore.

Comprehensive plan

Chandran has already prepared a c prehensive plan to perk up productivi MCF. At present, MCF has a capacity isation of 85 per cent and Chandran p to raise it to 100 per cent. Most of the monia and urea plants at MCF are ne 23 years old and are damaged due to quent power trippings. MCF has not b able to replace them during the last months due to paucity of funds. S Chandran, "We are looking at the exis plant with the idea of replacing certain sential spare parts. The entire proc may take about 18 months and it sho cost us Rs.45 crore." The si concerns, Best & Cromp and Western In Enterprises (WIE) will be volved in retrofitting of pl and machinery at MCF.

According to G.S. K havamurthy, MCF's forn resident director, and pr ently managing director of Coimbatore-based So India Viscose, "MCF needs build a good middle level managem team. Many useful executives have left company." In fact, the company did have full time directors for finance a marketing for a long time. Mallya has ready appointed four new executive dir tors. The new management has a decided to build a storage capacity a cost of nearly Rs.3 crore to handle the w ter scarcity at the plant site in Mangalo A task force has been entrusted with th job.

But can MCF be turned aroun Chandran and Mallya are confident it c be. Chandran says, "We will make a r profit in seven years." Adds Mallya, "MC will make a cash profit in 1991-92." Says Chellappa, former chief zonal manager public sector fertiliser giant RCF, Ba galore , "With the nature of backgrou Mallya has, it can be turned around." B perhaps the best thing going for MCF no is that it has got a managing director wh might just be able to deliver the good And the fertiliser industry unanimous agrees.

■ DEVAPRASAD PUROKAYASTH

HOMAS COOK

What's cooking?

he company is performing well, especially the tours division, which has rought in good foreign exchange. Now it is readying itself for the "Visit India ear 1991". Watching from the sidelines is the State Bank of India, a 15 per ent equity stakeholder who would like to tighten its hold further

t the recently held annual general meetg of the State Bank of India at hubaneshwar, chairman M.N. Goiporia ad many things to say about the bank's erformance, but one aspect that he touned upon would have seemed out of lace, at least at first blush. "...Since the ext year (1991) has been declared 'India ourism Year', SBI finds in tourism a great pportunity for diversification, specially



Goiporia: "SBI finds in tourism a great opportunity for diversification

in view of its capability to serve tourists with an extensive network of branches covering most of the important tourist centres. Hence the decision to create or acquire a strong tourism related business arm by 1991."

Possible disinvestment

But those who have been following SBI's activities closely knew that Goiporia was referring to Thomas Cook India Ltd, the diversified travel company in which the bank has had a 15 per cent equity stake since 1983. Thomas Cook & Son UK, the original promoters still hold 40 per cent of the small Rs.1.05 crore equity of the company. And the speculation is that the UK company recently signed a memorandum of understanding with SBI which gives the latter the first option of buying the UK company's stake, in case it decides to disinvest. Again, this disinvestment is talked about as an imminent possibility.

Goiporia was not very subtle about his intentions when he told *Business India* "It is logical for SBI to acquire Thomas Cook which has an international network, provided we are able to get controlling interest at the right price. Plans to set up a subsidiary to take care of the tourism activities, similar to SBI Capital Markets which looks after merchant banking is not ruled out. Applications made to various authorities — the Reserve Bank and government — are under consideration."

Sources say SBI is also considering market purchases to strengthen its hold in the company. If that happens, Thomas Cook's Indian operation will get the advantage of SBI's branch network some of which are located in key tourist areas. The MoU is signed to safeguard the present management and prevent the company from getting into an NRI fold", claims a senior SBI official.

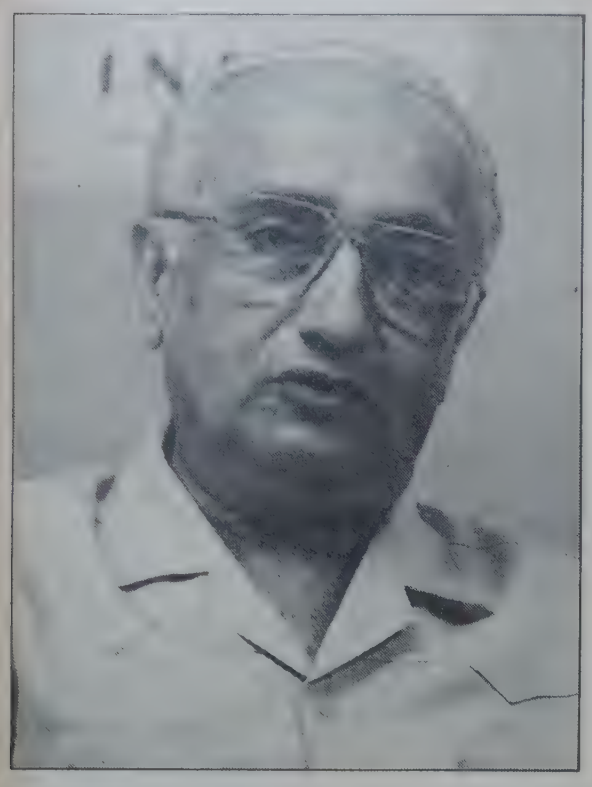
Professionally managed

Thomas Cook (India), which has been in this country since 1873, is a professionally managed company under the chairmanship of H.T. Parekh. Its Rs.400-crore operation countrywide covers 11 locations and emcompasses tours — inbound and outbound, business travel, cargo handling and foreign currency dealing. Income from all these totalled Rs.8.82 crore last year — nearly four times what it was when the company went public in 1983.

Thomas Cook (India) is the only non-banking company in the country to have an authorised foreign exchange dealer's licence, which allows the company to buy and sell foreign currency over the counter besides issuing of travellers cheques. The company, on a daily basis makes bulk purchases of foreign currency at both the retail and wholesale level, the hard cash collected being then sent to Switzerland, England or Zurich. "The business volume is large. It is roughly Rs.1 crore a day, but the revenue margins are thin, around 0.75 per cent", says Pradip Madhavji, a former banker and the company's managing director for the last 12 years.

As a leading travel agent, Thomas Cook's ticketing division clocks sales of over Rs.35 crore per year. "In this, the real gross earnings is by way of commission alone at an average of 7 per cent. While on an international ticket, the commission is higher at 9 per cent, on domestic tickets it is a mere 3.19 per cent," explains Madhavji.

The big foreign exchange earner for Thomas Cook is its inbound tours department which arranges special interest and incentive tours including tailor-made packages to meet individual requirements



Madhavji: our business volume is large

and group packages for corporate organisations. For the year ended March 1990, the company has earned Rs.10.11 crore from this operation. "On an average, the margins are around 15 per cent," says Madhavji. According to Gita R. Choksi, general manager, tours, "The margins are higher on individuals. In group packages, the number of tourists is not important, it is the amount spent by each individual that matters." She adds, "The tours division is growing at the rate of 33 per cent per year. Political disturbances do have their effect on tourist trade and it's not always bad." For example, the present Gulf crisis, to some extent, diverted tourist traffic from Egypt to South India.

"The current trend continues to be good. For the first eight months of 1990, the traffic to India has increased by 7 per cent over the corresponding period last year," says Madhavji. Jayaram D. Ketkar, director, finance and company secretary is of the opinion that "The depreciating rupee against almost all hard currencies has also attracted tourists to India." The company is also the sole promotional representative in India for Cosmos, a leading coach tour operator of Europe.

Thomas Cook (India) has been in the cargo handling business and custom clearances for imports and exports for almost a decade, though the parent company did not have similar interests. "However, during the last three years, we have been aggressively pursuing this division and have expanded countrywide with offices in the five major cities. The concentration is more on consolidation of import cargo in order to cash on bulk rates," says Ketkar.

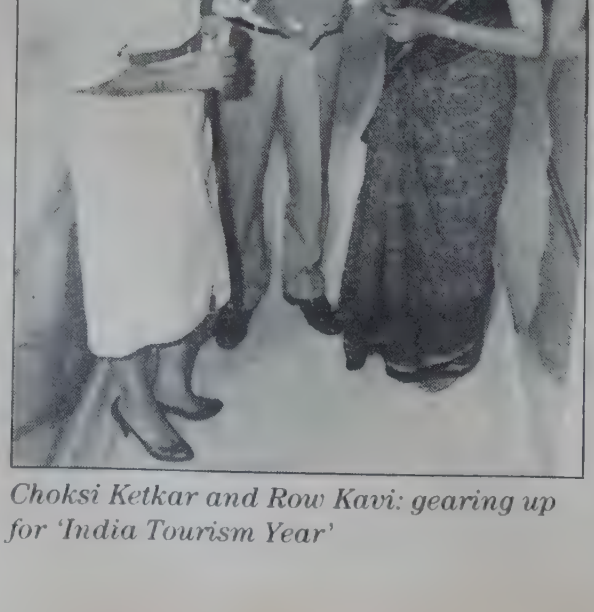
The recent addition to Thomas Cook's activity in Bombay is the opening of a business centre called 'The Executive Plaza'. "Thomas Cook's worldwide network will ensure the break-even occupancy at 65 per cent of the 14 cabins measuring 80 sq.ft each," says Jyoti Row Kavi, assistant manager — public relations and the person in-charge of the business centre. "This new line of business will also provide a better synergy to the existing lines of business," says Ketkar.

Financially sound

Although the company has no control over the price of its end product, it is financially sound, with almost 50 per cent of its earnings coming in foreign exchange. For the year ended March 1990, the foreign exchange earning was worth Rs 10.37 crore.

The company's net profit is up 22 per cent on an annualised basis to Rs 1.42 crore, which accounts for an earnings per share of Rs.13.52 against Rs. 11.52. The reserves and surplus covers the equity capital by almost five times. The only time the company declared bonus was in 1988 — in the ratio of 1:2. According to a financial analyst, the company must be ready now for its second bonus, its present book value being pegged at Rs.55.80, and considering it is a 40 per cent subsidiary of Thomas Cook, UK, the distribution should be liberal.

Currently the share price at Rs.380 on the Bombay stock exchange discounts its earnings by 28 times. If one takes a p multiple of 20 as a thumb rule for FI companies, the scrip is certainly o priced. In fact, within the last two mon the price has more than doubled fr Rs.185 (August) to Rs.380 (October) has moved on speculative buying. Eve demand for 1,000 shares sends the p up by 10 per cent," says an active jobbe the scrip. The fact that the company only 472,000 shares makes its price v sensitive to any active trading. Indicat reveal that the company's overall per mance for the six month ended 30 S tember 1990 is up 25 per cent compared to the corresponding per last year.



Choksi Ketkar and Row Kavi: gearing up for 'India Tourism Year'

Planning ahead

Thomas Cook (India) plans to enter ot travel-related spheres within the next t years. "The worldwide group strategy stricts our entry into hotels, but we looking into the possibility of launch an international credit card. Besides, der section 80 HHD of the Income Tax A introduced in the Union budget 19 travel agents and tour operators are lowed to invest 50 per cent of the prof on foreign exchange earnings into five fined areas of tourism promotion act ities within the next five years. T soundness of these areas are being plored," says Madhavji. According to K kar, "The company's expansion plans v be focussed on foreign exchange earni activities."

Thomas Cook (India) is the only tra agency in the country to go 'on-line' wi the computerisation of its main office Bombay. The company's ticketing divisi is currently preparing a travel inform tion bank. "When a travel ticket is pu chased through us, the person will g basic information about the destinati on a slip of paper attached to the ticke explains Choksi.

The company has organised itself take advantage of the 'Visit India Ye 1991'. "This marks the arrival of a boo time for Indian tourism with the gover ment willing to encourage it and Thomas Cook (India) will lay more e phasis on high-growth areas like inbou tourism in the next year", explai Madhavji.

So, there is much to look forward to f Thomas Cook (India) in the coming yea And if it progresses well, the State Bank India will no doubt be among the ma who will benefit.

■ LANCELOT JOSE

We have people who check the people who check the people who check your aircraft.



You might well call it excessive German thoroughness that we don't let our technicians work unsupervised on an aircraft until they have completed four years' basic training and have at least eight years' practical experience.
It goes without saying, however, that their work is still inspected by an even more experienced technician who, in turn, is checked by a highly qualified engineer. And, after all that, there is the independent inspector from the technical control department who reports directly to the Board of Management.
We call this Lufthansa's contribution to inflight relaxation – it's something we simply owe you and ourselves.

Lufthansa

MODIPON

The changing texture

This specialty yarn maker, one of the largest Modi companies, moves into a new era with erstwhile collaborator Rohm and Haas' decision to divest its holdings



M.K. Modi: specialty spinning

Finally Modipon is settling down. Last week Rohm & Haas, the American conglomerate, announced that it had received permission from the Reserve Bank of India to sell its 37 per cent holding in the specialty yarn maker and one of the richest companies in the Modi stable. This stake will be sold to the Indian public, though 10 per cent will go to the Unit Trust of India on a firm allotment basis.

This January, the Modi cousins who control 35 per cent of the equity had reached an agreement over the company's eventual control after years of feuding. The fibres division, which was responsible for 80 per cent of Modipon's Rs.236-crore turnover last year and 90 per cent of its Rs.18-crore profit, was allowed to be retained by the Kedar Nath Modi faction of the family. K.N. is the step-brother of the late family patriarch — Raibahadur Gurmal Modi. Krishna Kumar Modi, Raibahadur's son, who heads the other faction of the family, will now run the small chemicals division of Modipon. A formal division of the assets is to come soon.

Now firmly in the fibre division's saddle, Mahendra Kumar Modi, the managing director and son of K.N., has unfolded a 10-year strategy for the company's growth. He has already set in motion the first stage — the process of backward integration. As per this, he plans to manufacture caprolactum, the raw material for nylon filament yarn, the company's major product.

Necessary decision

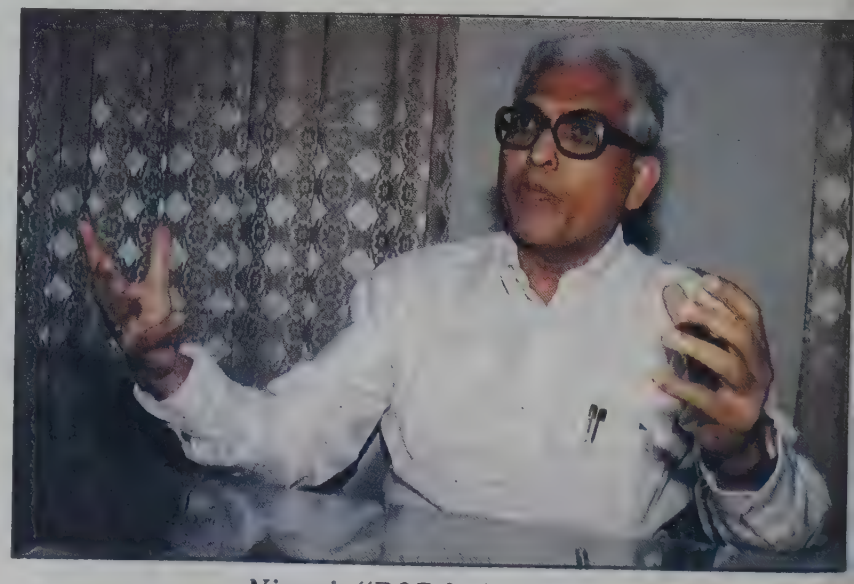
While the industry in general imports 85 per cent of the caprolactum it requires, Modipon imports its entire requirement. Therefore, says M.K. Modi, "This is not just a wise decision, it is also necessary." A new company is to be promoted in the joint sector with the Industrial Promotion and Investment Corporation of Orissa (IPICOL) to manufacture 50,000 tonnes of caprolactum involving an investment of Rs.350 crore in the first phase.

The 41-year-old managing director has plans to enter the field of engineering plastics too. This industry also uses caprolactum as a raw material and will be "the biggest thing in exports in the next ten years". For all this, a large part of the large finance needed will be raised from the public. Though Modipon's balance sheet shows the company in excellent financial health, because of the tightly held equity Modipon was hitherto little known among the investing public. This will change now with much of Rohm & Haas' disinvestment going to the public.

Cash cow

Rohm & Hass and the Modis promoted Modipon in 1965 to manufacture textile grade nylon and polyester filament yarn. In fact, it was Modipon which first demonstrated in the late sixties that spinning yarn could be good business. With a monopoly in the market for polyester and nylon yarn, it sailed along untroubled for a decade — the Modis' cash cow. The money it generated was used in funding much of the group's expansion in the seventies. But in the early eighties the picture changed dramatically when Modipon ran into trouble for several reasons.

The textile industry encountered a recession in 1980 and the entry of big players Reliance and Orkay into synthetic yarns — and the expansion of J.K. Synthetics — was unsettling Modipon. By 1982, while Modipon had a capacity of just 7,300 tonnes per annum of yarn, rivals Reliance and J.K. Synthetics were churning out 25,000 and 15,000 tonnes respectively at lower unit costs. Net profits had slumped to Rs.1.60 crore, half the level of the previous year. At that point, the company could have expanded its output. Instead, it decided to alter course into specialty fibres, a shrewd move which has helped its turnover grow 250 per cent and



Niyogi: "R&D bailed us out"

profit rise ten fold in eight years.

The transition to specialty yarn was risky and required a change both in production process as well as marketing strategy. On the shop-floor, the shift meant that the usual processes of polymerisation and condensation of the raw material — DMT, MEG or caprolactum — into pellets and the drawing of the pellets into filament had to be refined. This was necessary to improve the texture and physical parameters — like diameter and shape — of the yarn and was done using imported Japanese equipment.

Turnaround point

In 1982, when Modipon was at its nadir, facing slipping quality and a lax workforce, it turned for help to its research and development cell. In 18 months R&D gave it a specialty yarn — Bright Triloval. "I would call that the critical turnaround point for the company," says R.K. Niyogi, chief executive of Modipon.



Manabe in the R&D lab: where the ideas come from

The uniqueness of Bright Triloval lay in its triangular, blunt-edged shape. It gave the resultant fabric a reflecting, twinkling form. Popularly known as "sparkling fibre", Bright Triloval was an instant hit with the powerlooms and ensured uninterrupted demand for Modipon which shows no sign of slackening.

Modipon currently markets its product mainly in Surat, Gujarat, which accounts for 80 per cent of its sales. The rest is bought by looms in Bombay and Bangalore.

The last eight years' growth has vindicated Modipon's decision to get out of the rat race. Turnover has shot up from Rs.74 crore (1981-82) to Rs.236 crore (1989-90), and net profit from Rs.1.60 crore to Rs.18.2 crore. Earning per share was Rs.29 in the latest completed fiscal year (to June 1990) compared with Rs.4 in 1987-88. Says M.K. Modi, "It was a good strategy to change the product line."

Soon after Bright Triloval, the company developed another successful product in 1986 — cation dyeable yarn — whose special dyeing characteristics made it possible for weavers to easily create new designs. Today, these two specialty yarns account for Modipon's total polyester filament yarn (PFY) production.

PFY accounts for 45 per cent of the company's output of 10,000 tonnes per annum, the rest being nylon filament yarn. For the latter, the accent has again been on developing products unique to the company. Modipon's process line is the only one in the country which supplies pre-dyed yarn to the weavers. The polymer (the organic compound which is spun into yarn) is itself dyed in the production stage, enabling weavers to get out a "loom-finished" fabric with no need for processing.

Understandably, the R&D department occupies pride of place in this company and is well looked after. Says T. Manabe, a Japanese scientist who heads it, "Here we analyse some of the special yarns manufactured abroad and try to develop them in our lab. Others too are doing the same, but so far, we have been more successful." Modipon currently spends over Rs.30 lakh a year on R&D and has several new products on the anvil. In the PFY range, it has introduced a new silky fabric, micro-filament yarn. It was first supplied to weavers five months ago and repeat orders have already come in.

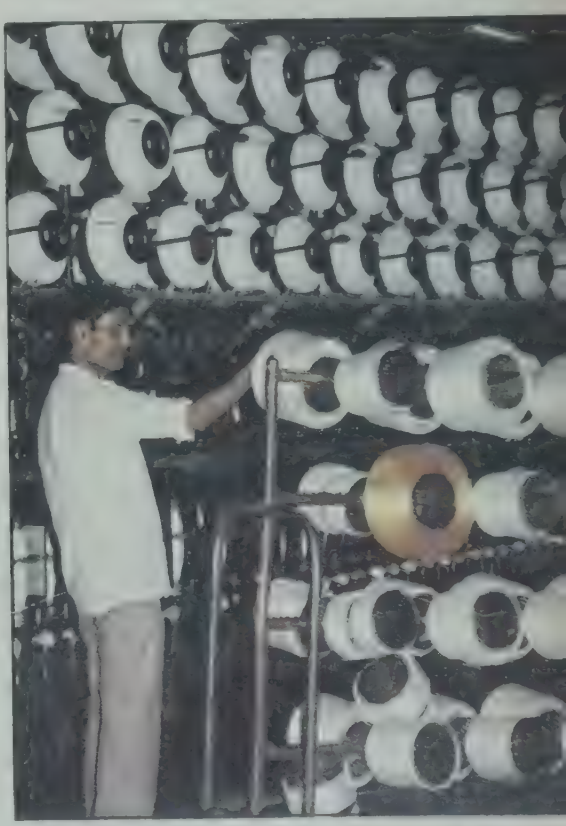
In nylons, Modipon's lab has produced a successful golden-yellow spun-dyed yarn as a substitute for the *zari* used in sarees. Demand for this product, popularly called "Modi *zari*" in the market, is picking up, especially in the south and Varanasi. The next target for Manabe's men is the imitation silk range, which promises to do well.

Though primarily in the man-made fibre business, Modipon Ltd has a chemicals division too — the erstwhile Indofil Ltd, which was merged with Modipon in 1985. This division accounted for nearly 20 per cent of the company's turnover and 10 per cent of its profits last year from its products like fungicides and specialty chemicals. The family squabbles last year and the division of assets within the Modi group has undone the earlier merger. The chemicals unit has now gone to K.K. Modi, who is M.K. Modi's cousin. The two divisions will be formally separated in the near future.

Says K.K. Modi, "For many years, Indofil was static. Then, from 1985, we started marketing aggressively, which has paid good dividends. My objective is that Indofil should continue to offer a full package of products for a wide range of crops dealing with all kinds of problems — pesticides, herbicides, fungicides and insecticides. In the chemicals field too, the scope is enormous. We are developing products for the plastic, paper, textile and leather industries."

On the other hand M.K. Modi, who is now in total grip of the fibres division, plans to concentrate on increasing Modipon's total yarn output. A result of its decision to go in for specialty yarn many years ago is the size of the company's output — today it has one of the smallest production figures, late-comers having overtaken it long ago. Modipon accounts for just 12 per cent of the nylon yarn production in the country and a mere 3.6 per cent of PFY output. Says M.K. Modi, "In the first decade when we were doing well, we never thought of it, though now we have decided to raise production capacity as quickly as possible."

Beginning with a capacity of 2,000 tonnes per year for both yarns in 1969, the company raised output gradually to 7,300



Processing nylon yarn: successful produc

tonnes, till in 1987 it upgraded the figure to 10,000 tonnes per annum. The immediate target is to hike capacity by another 5,000 tonnes. The new machines from Italy and Germany have arrived and are likely to be commissioned by next March. This will cost the company Rs.82 crore, of which Rs.25 crore has been ploughed back from reserves, and the rest will come from bank loans.

Increasing capacity

"My ultimate target is to achieve an overall installed capacity of 40,000 tonnes per annum — 25,000 for PFY and 15,000 for NFY. This will be done by the turn of the century when turnover will cross Rs.500 crore at today's prices," says M.K. Modi. These capacities represent the figures worked out by the government last year as the minimum economic size for this plant. But with every unit in the industry expanding, will there be a glut in the PFY market? "With existing units, no," says Modi. "Despite stiff hikes in prices in the last year, demand has actually increased. The right policy would be to reserve cotton for exports and promote synthetic fibres, which are cheaper, for local consumption."

Modipon's policy of expanding in bits and pieces has left its plant with a wide technology mix. Twenty-year-old German machinery works alongside new Italian Snia spinning equipment. It has its disadvantages — more manpower and varied training — but the company makes the most of its main asset — the capability of making a wider variety of products. Reliance, for instance, produces 200 tonnes a day of only 3 or 4 different yarns. Modipon, on the other hand, produces just 30 tonnes a day of up to 22 different yarn products, which suits its specialty yarn objective perfectly.



Specialised nylon filament yarn

Manpower-wise, however, Modipon i not as comfortable. Its employee strengt — 2,000 — is huge compared to the indus try average. In 1984, the company put a embargo on fresh employment, and sinc then, while production has gone up t 10,000 tonnes, staff strength has actuall decreased by 400 thanks to retirement and an attractive voluntary separatio scheme. But manpower efficiency is stil low.

The importance of leadership

Modipon realises that it cannot allow competitors to race ahead. In specialty yarns, its main competitor is Century Enka. Bright Triloval, which had a monopoly since 1984, was perfected by Century Enka 18 months ago. And cation dyeable yarn, was also unique to Modipon until six months ago. Century Enka has a very similar yarn in the market now. Modipon will also have to drastically reduce overheads to stay ahead of competition. Modipon's operating margins, despite good price realisation last year, was just 17.9 per cent compared to Century's figure of 22.4 per cent.

Modipon is gearing itself for this challenge and its tentative entry into the export sector was the first move. Though the quantum is very small — some 55 tonnes in the last two years — the company nevertheless is exploring the European market for more sales. Incidentally, Modipon is the only Indian company to export NFY. In the last two years, it has sold textile-grade nylon yarn to China, Yugoslavia, Italy and Germany. Says M.K. Modi, "We want to make it big in exports too. That will give us the edge the day there is a slump in the domestic industry."

■ R.S. VENKATESH

The Modipon scrip

In its first year after commencing commercial production in 1969, Modipon Ltd declared an 8 per cent dividend. The dividend for the year ended June 1989 was 40 per cent and it is expected, given 1989-90 earnings of Rs.29 per share, that there will be a substantial increase when the results are announced.

Yet, the share price touched a high of Rs.85 in January 1990 and currently trades at Rs.80. The scrip ought to attract considerable buying attention but is in fact hardly traded. Though a leader in its field, Modipon attracts little investor interest.

The reason lies in its unusual shareholding structure. Rohm and Haas, the American collaborator, hold 37.2 per cent of the shares. Some 24 per cent is with the U.P. State Industrial Development Corporation (UPSIDC), while 35 per cent is distributed among 18 family members. Of the small remainder, a good amount is held by employees.

Now the tight holding pattern will be considerably diluted. First, Rohm and Haas is disinvesting its holding at a price of Rs.65 a share for the public. Its only reason is that the yarn business is outside its core field, but critics point to disputes in the Modi family as the cause.

Expansion programme. Second, Modipon's expansion programme will require it to go to the public, for which it will have to gain both awareness and confidence in the market. Says M.K. Modi, "We are in a peculiar situation where we are known and regarded highly only within the industry. To generate public interest, I have not opposed letting the Rohm and Haas stake go to the public."

In the Modi family, everyone wants a piece of the disinvestment cake, the most interested being the ex-MD and the present MD, K.K. Modi and M.K. Modi. They both state that they have left it to the government to sort out the procedure.

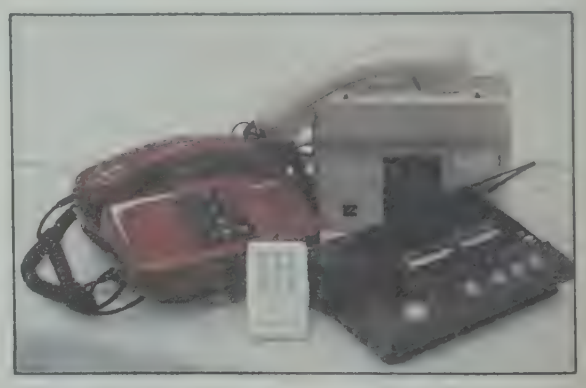
Nevertheless, there is friction. The 3 per cent stake that Modi Flour Mills has is one example. Last month, the board decided to sell this block to the K.N. Modi family (whose eldest son is M.K. Modi). K.K. Modi and his brothers protested. So Modipon has still not transferred that block of shares. All this, of course, has in no way threatened the M.K. Modi-led management. K.K. Modi has repeated his commitment to the January 1989 agreement of leaving Modipon's fibre division to M.K.

On his part, M.K. Modi is revealing little of what he plans with the equity. But if he should decide to dilute it, there is going to be no dearth of buyers.

HARTI TELECOM

Hard life of a front runner

e company leads the industry in hitech electronic call receiver instruments. s expansion and diversification plans are many and varied and reflect an fort to stay in the lead



Present product range: comfortably placed

e Ludhiana-based Mittal brothers, kesh, Sunil and Rajan, are not, perhaps, ry well known and conspicuous, but they ve set themselves up for bigger things w with Bharti Telecom Ltd (BTL), their lephone instrument manufacturing mpany.

The company is the leader in its nascent d troubled Rs.75 crore industry segent which features Tata Keltron, rompton Greaves, Swede India, Webel,



akesh Mittal: "export market is waiting to be tapped"

CEL and Remington. With a turnover of s.16.75 crore and a net profit of Rs.1.39 rore during 1989-90, it is the most successful push button telephone (PBT) anufacturer. Last year, Bharti Telecom old 174,000 PBTs, as against 163,000 sold y Tata Keltron, its nearest competitor.

Recently, the company launched its elephone answering machines (TAMs) in ollaboration with Takachiho of Japan. lso, the company is all set to launch the ountry's first home-assembled cordless hone in three months from now, in colaboration with Lucky Goldstar of South orea.

BTL also plans to increase its PBT capacity from 200,000 to 500,000 a year, ver the next three years. This expansion plan, however, comes at a time when there is already overcapacity in the PBT industry. Therefore, the question everyone is asking now is: will Mittals be able to hold onto their lead?

The Mittal brothers were not traditionally in business. Their father, Satpal Mittal, is a Congress heavyweight in Ludhiana. Eldest brother Rakesh, 35, with a degree in electronics engineering, started with a small scale unit, Asia Electronics, in the late seventies, to manufacture TV components and traffic lights — a venture that folded up in mid eighties.

In early eighties, Sunil Mittal, now 33, joined Rakesh to set up Bharti Overseas Trading Co. Mainly, this company imported Honda and Suzuki portable gensets and, till the government banned genset imports in 1983, was the leading importer of this item in India. In 1982, Rajan, 31, also joined and the Mittals floated United Pharma Ltd for the manufacture of capsule shells.

The brothers also set up Rajat Electronics, a company to manufacture diallers for PBTs. Later, when the government opened up telecommunication to the private sector in 1985, Bharti Telecom was set up with a paid up capital of Rs.1.5 crore to manufacture 200,000 PBTs with technology supplied by Siemens of Germany, at Humbran near Ludhiana.

Though ten PBT manufacturers now have Siemens technology, including Tata Keltron and GCEL, Bharti Telecom remains the most successful. Says Satyen Nair, sales manager (north) of Swede India, a competitor, "BTL is doing well mainly because it came off the blocks first and entrenched itself firmly in the EPABX manufacturers' market. With high capacity utilisation and low project cost, BTL has been able to undercut on prices in the market."

Last year, the combined sales of the private sector PBT manufacturers to the department of telecommunications (DoT), Mahanagar Telephones Nigam Ltd (MTNL) and EPABX manufacturers totalled 850,000 instruments. The orders projected for the current year are 120,000 PBTs. Against this, the installed capacity of the industry has increased to 2.7 million instruments.

Favoured supplier

Till last year, BTL enjoyed the status of a favoured supplier, along with four other companies — Tata Keltron, GECL, Swede India and Rajasthan Telephones Industries. This year, however, the situation has undergone a dramatic change. As Nair of Swede India says, "With government's orders getting evenly distributed among all, they are going to feel the pinch."

During 1989-90, the five leading companies bagged orders of 125,000 instruments, each out of the total DoT and MTNL orders of 850,000 PBTs. This year, the government has decided to place orders equally among the 13 operational units in the industry. This will lead to a shortfall of 25,000 in Bharti Telecom's order books.

This might not have been so serious if there was some hope of the market expanding. But, even for the next five years, there is not going to be any significant growth in the government's procurement of PBTs. This is because the projected number of lines to be laid during the Eighth Plan period is 1 million a year. And worse still, DoT's past failures in meeting its targets makes the future expansion at this juncture, therefore, seems to be illogical.

The brothers have reasons for their action. Rajan, for instance, expects that government agencies will have to revert to placing larger orders with the big five in



ONE SOURCE YOU CAN DEPEND ON

ADD ANOTHER — CROMPTON TELECOMMUNICATIONS.

Crompton Telecommunications is the single-source, single-vendor solution for all your communication needs.

From voice, data, text and imaging, our range of products and services, backed by the best technology in the business, add up to your advantage everytime.

It's an advantage that's worked for Citibank, ONGC, Vikram Sarabhai Space Centre, Leela Kempinski, and a host of other clients.

And you will appreciate the efficiency of application specific EPABX's made in collaboration with OKI of Japan, versatile Data Communication Terminals made with Qwint Data Inc., USA and advanced multi-feature phones made in technical collaboration with Siemens, AG.,West Germany.

So whether your needs begin at 16 extensions or require Integrated Office Exchanges upto 7000 ports.

Or you're looking for advanced facilities like Analog and Digital Networks, simultaneous voice and data communications, radio paging, voice-mail, Fax's — we have them all.

From multi-feature telephones to advanced digital multi-key telephones, we have every kind of voice terminal. With ISDN compatible voice-data Networking capabilities.

Our Electronics R&D centres can also help develop specific communication solutions for you.

So whether it is satellite, microwave, Coaxial or optical fibre communication, we'll give you your telecommunication link.

Our after-sales service includes Remote Maintenance, that ensures an on-the-spot diagnosis and response to your problems, backed by an expert Customer Engineering Team.

Our range of Computers and Industrial Electronics products also help us take a comprehensive look at your needs.

That's why we can really talk of one, total, customised communication solution.

Wherever you are, whatever your requirements: if you need a telecommunication company that can offer you the optimal single source solution for today and the future —call Crompton Telecommunications, now.

Yes! I want to know more about Crompton Telecommunications and its single source advantage for my business.

Please have your team call on me.

Name: _____

Address: _____

_____

Mail to: Crompton Telecommunications
27, Rani Jhansi Road, New Delhi-110 055
Tel: 514055/514910/737671

Tel: Bombay—294905. Calcutta—449681/85. Madras—470316

Crompton Greaves LIMITED

CROMPTON TELECOMMUNICATIONS. THE RIGHT DECISION.

the industry since the smaller companies will be eliminated by their uneconomic operations. And in any case, he adds, these companies "will have to procure part of their supplies from the big manufacturers to meet their orders".

In the meanwhile, Rajan hopes to make up for the drop in orders by taking up part of the order which will come up when the public sector manufacturer ITI fails to supply its 50 per cent share of all the government demand for telephone instruments. "Moreover," he says, "there is a replacement market too, which may require about 6 million PBTs in the next three to four years."

Rakesh Mittal is optimistic about the expansion plan. "Granted, the domestic market is not going to absorb the increased production immediately, but there is a huge export market waiting to be tapped," he says. According to him, Bharti Telecom has clinched an order for 10,000 instruments from the USSR, to be supplied over the next one year. Also, with the depreciation of the rupee bringing down the price of Indian PBTs to a more competitive $18 to 19 each, markets in Africa and the Middle East have also become accessible. Rakesh adds that if the present cash compensatory support is increased from 12 to 25 per cent, exports will become reasonably profitable.

Russian venture

As part of its export drive, the company has also signed a MoU with Spetspromsuyazsystema, a Russian company, to manufacture PBTs there. According to Rakesh, Siemens (which supplied BTL its technology) has not sent any negative signals on this proposal.

Sunil Mittal says that an important factor in favour of Bharti Telecom is its supplies to EPABX manufacturers, who provide PBTs as part of the networks they sell. The demand from this sector is likely to go up to 500,000 instruments this year from 350,000 last year. Last year, BTL supplied about 50,000 instruments to this market. However, 25 per cent of this market is closed to the company, as the demands from large EPABX companies is met entirely by their own subsidiaries or sister companies. Last year, Tata Keltron supplied 45,000 instruments to Tata Telecom while Nelco and Crompton Greaves sold 30,000 PBTs to NODE.

Increased competition is eating into BTL's profits. Though the turnover of the company doubled to Rs.16.74 crore from last year's Rs.7.6 crore, profit after tax rose from Rs.1.09 to Rs.1.39 crore. Also, with so many PBT manufacturers in the fray, the official price of a PBT has dropped from Rs.825 to Rs.645 in the last two years. For BTL, this has meant a downscaling of profits from about Rs.275 to Rs.125 per instrument, despite a reduction in production costs. Margins in the open market too have fallen from about Rs.450 to a mere Rs.80 to 100 per instrument.

In the meanwhile, the company has been weighed down by higher interest and depreciation charges. This was largely on account of a DM 22 million loan procured this year for expansion, and the extension of buyers' credit period from 30 to 90 days forced by increased competition. The interest in 1989-90 was Rs.67.16 lakh, against Rs.36 lakh in the previous year, while depreciation went up from Rs.17.19 lakh to Rs.29.96 lakh. Thus, profits after interest and tax, but before depreciation, have slumped from about 17 per cent during 1988-89 to about 10 per cent last year.



PBT assembly line: market leadership

Adequate profits

Rakesh Mittal, however, is not worried. "Despite the steep fall in profits per instrument, we have been able to generate adequate profits by almost doubling production and indigenising," he says. Moreover, he claims that while the squeeze on prices has put most of the competitors in a spot, BTL's margins are still comfortable and biggest in the industry. In fact, Tata Keltron is the only other in the 16-company industry that seems to be comfortably placed as far as profits go.

The company's success has also been due to the Punjab government's special taxation policy for electronics units in the state. BTL pays a nominal sales tax o cent to the state government, wher made outside the state attract 12 pe

The diversification into last TAMs has, however, proved to be a squib. Against an installed capac 12,000 instruments a year, the com produced only 760 machines and sol of them, at a price of Rs.5,995. Sunil is hopeful that with price-linked pr tion and concept marketing, TAMs' v accepted in the country.

BTL has also started work on its R crore Beetel cordless phones projec company has a licenced capacity of 1 instruments a year worth Rs.3 crore

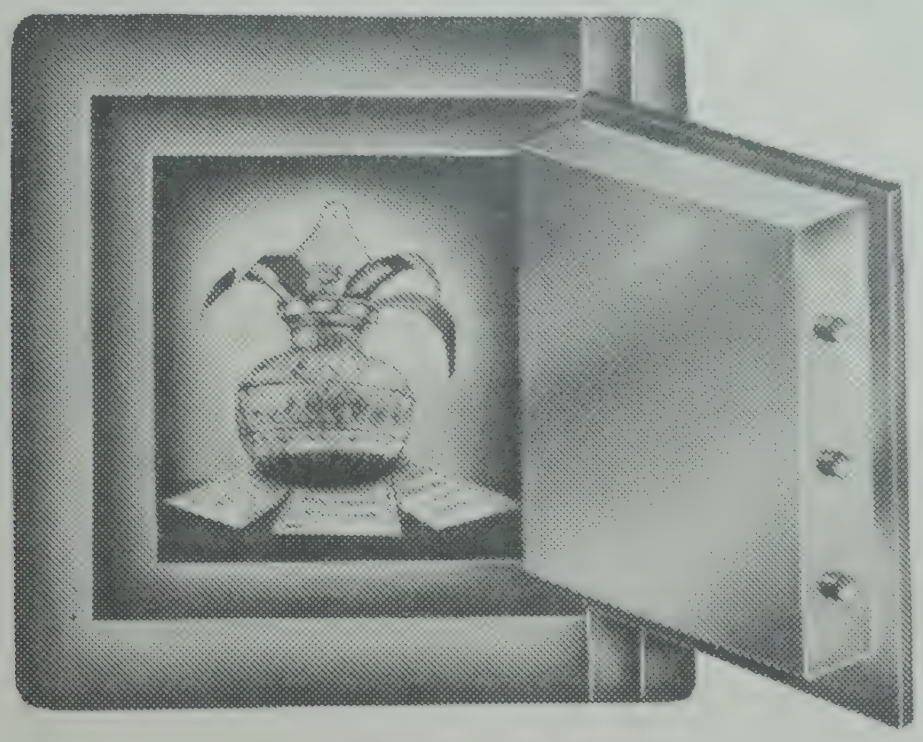
The other licencees for cordless ph are skeptical about the immediate pects of this instru At present, impo and smuggled in ments are availabl about Rs.800 to each while the B phones are going priced at about Rs.2 Sunil Mittal is confi that DoT and MTNL back the Indian pro and also that BTL's vice back up will vince the In consumers.

The company mately plans to set 100 per cent export ented unit for cord phone. According Rakesh, negotiations are already on wi US company which is interested is so ing its brand of instruments from BT yet another move, BTL has signed an M with the Haryana State Electronics C poration for providing Time Division M tiple Access Systems (TDMAS) for rural telephones network. BTL has made a serious bid for a FAX licence wh is being considered by the DoT now.

Despite the uncertainties, the Mit seems to be very comfortably placed w BTL. They control 40 per cent of the co pany's Rs.1.65 crore equity capital. Rs.10 share is now quoting at arou Rs.60, and its high price was the rea why UTI picked up 5 per cent of the cap last year from the markets. "BTL n leads the industry in hitech electro call-receiver instruments and that is way we would like to stay though we kn it is a hard life as a front runner," sums Rakesh Mittal. ■

FEROZE AHM

NOW UTI MAKES YOUR ODD-LOTS VALUABLE.



INTRODUCING
UNITS FOR ODD-LOTS SCHEME
Exchange your Odd-lot shares and debentures for Units.

Here's your chance to get rid of your difficult-to-sell odd-lot shares and debentures. And get Units in exchange. It's yet another milestone in our endeavour to help the small investor prosper.

UTI's UNITS FOR ODD-LOTS SCHEME

- Commencing on 1st October 1990, the scheme will initially be operational only in Bombay at Unit Trust of India, Merchant Chambers (next to UTI Bldg.) New Marine Lines, Bombay- 20.
- Everyday, a list of shares and debentures of selected companies will be displayed at a special counter at the above address.
- The price of shares will be based on the closing price quoted at the previous day's trading session. In keeping with our commitment to help the small investor, a very small service fee of 2% of gross consideration or a maximum of Rs.50 per application will be deducted from the price.
- The net value of your shares and debentures will be converted into Units of your choice.

For additional information obtain our special brochure on UNITS FOR ODD-LOTS SCHEME from the above address.

Yes, Unit Trust truly believes that the small investor deserves his full share. So, take a look at your investment portfolio and see if you have any odd-lot shares and debentures. Exchange them for Units and end your odd-lot problem!

UNITS FOR
ODD-LOTS
SCHEME

Your solution against all odds.

UNIT TRUST OF INDIA
13, Sir Vithaldas Thackersey Marg,
(New Marine Lines) Bombay 400 020

Interpub/UTI/012/90

GAS AUTHORITY OF INDIA

Changing tack

At long last, this loss-making oddity has begun to show a profit, but at the cost of changing its priorities. While this revision has raised hackles all around — something this organisation's very existence causes among other public sector units — its improved performance could well be a sign that the corporation is finally getting the better of an inimical environment

Among the public sector enterprises in India, companies in the petroleum sector have always been money makers. But the Gas Authority of India Ltd (GAIL) stood out till last year for a different reason — it was the only one in the red.

A continuing lack of definition about its precise role and objectives vis-a-vis Oil and Natural Gas Commission (ONGC) and Oil India Ltd (OIL) has hindered GAIL from performing effectively. It was envisaged as an authority to plan and implement the design and construction of pipelines and other facilities for the collection, fractionation and marketing of natural gas. To achieve many of these aims, GAIL had to cut into many of the functions of ONGC and OIL. This obviously met with stiff resistance from both oil giants as these activities were highly profitable.

Also, though work on the Hazira-Bijaipur-Jagdishpur (HBJ) pipeline was complete, there weren't many takers for the gas. Many who had agreed to take it, had also backed out. Worse still, GAIL has been taken to court by two companies, Tata Chemicals and Chambal Fertilisers, for attempting to enforce its contract with them *(see box)*.

Small profit

GAIL's many problems translated into an accumulated loss of Rs.126 crore between August 1987, when it began commercial production, and March 1989. For 1988-89 alone, the loss was Rs.52.9 crore. But now, finally, seven years after incorporation, GAIL has recorded profits. In 1989-90, the corporation made a profit of Rs.24.94 crore on a turnover of Rs.646.53 crore.

Placed against the performance of other companies in the industry, that figure seems embarrassingly small. But GAIL is preparing to catch up with the giants with a series of new projects, like an LPG processing facility and a petrochemicals plant coming up at Bijaipur in Madhya Pradesh. In addition, a series of projects, including the Auriya gas cracker complex in Uttar Pradesh, along with some accompanying downstream projects, are expected to be commissioned during the Eighth Plan. These projects, when commissioned, will turn GAIL into another public sector giant. The total expenditure estimated for these projects is Rs.3,800 crore.

Despite the recent improvement in performance, many public sector companies are unhappy with GAIL. In fact, the primary objective for which the authority was set up is still being questioned. Not everyone was convinced of the necessity of setting up a separate specialised agency to



HBJ pipeline: not many takers for th

implement the HBJ project. The C considered itself sufficiently ac plished and in possession of enoug sources to execute the project. After

FERTILISER COMPANIES

Fighting the contract

GAIL is insisting on tying four fertiliser companies, whose projects have been delayed in implementation, to a seemingly harsh contract to hedge against the possibility of their being unable to lift the contracted 1.65 million cubic metres of gas a day each. The contract envisages from each company a deposit of Rs 4.4 crore and a bank guarantee of Rs 13.2 crore on which an interest of 8 per cent will have to be paid.

Two of the companies, Tata Chemicals and Chambal Fertilisers, have filed a petition challenging GAIL's authority to subject them to such a contract. The petition will come up for hearing in the Delhi high court on 26 September.

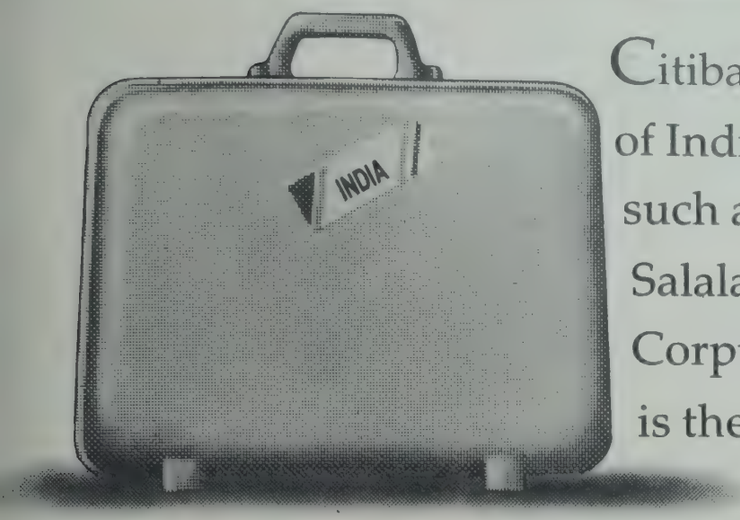
Of the four companies, Tata Chemicals (Babrala), Chambal Fertilisers (Gadepan) and Bindal Agro (Shahjahanpur) are located on the HBJ pipeline while Nagarjuna Fertilisers (Kakinada) is on the Tatipaka-Kakinada pipeline.

The contract seems to have been provoked by the tardy implementation of these projects. Considering that many other plants along the HBJ pipeline have been set up without delay, the very intentions of the manag ments of these companies are bei questioned. For instance, chairma Vineet Nayyar of GAIL, says, "Th aren't serious about setting up t plants." The Tatas had received the letter of intent (LoI) in June 1985 a Chambal in October 1984 at its earli site at Sawai Madhopur and a revise one in 1988 for the new site at Ga epan. Bindal Agro received its LoI September 1989.

Heavy loss. As it doesn't take mo than 36 months to set up a plant, least two of those three plants ought have begun production. GAIL claim that it is incurring losses of Rs.50 cro per plant and foregoing revenue Rs.150 crore on each. "We would hav broken into profits a year earlier tha we did," claims GAIL's finance directo K.K. Kapur.

The four companies, however, do no agree that the delays are inordinate. "I makes sense to talk of delays in imple mentation only after the zero date (ie after clearances from all departments have been obtained) for a project," says T.N. Chandra, managing directo of the Projects and Development India Ltd (PDIL). (PDIL, a fertiliser consul tancy company, is the sub-contracto to the Tatas and Chambal, and prime

India's international bank in 146 countries.



Citibank. To the tens of thousands of Indians living in faraway places such as Woolongong, Australia; Salalah, Oman; Eldoret, Kenya; Corpus Christi, USA... Citibank is the Indian bank.

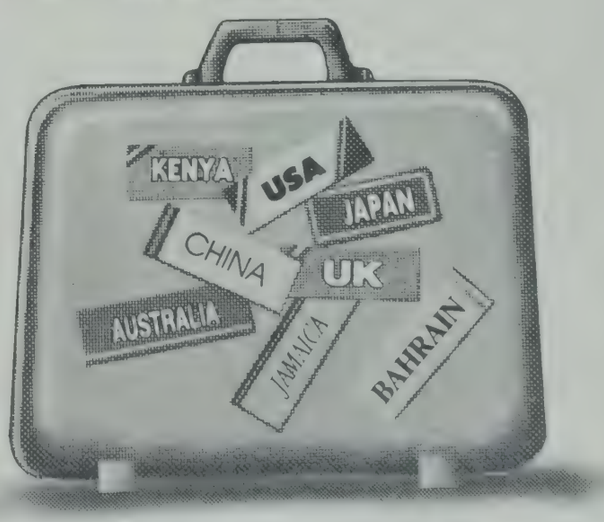
Non Resident Indians represent an enormous pool of talent and resources for India. And for a growing and vibrant country, buoyant foreign currency reserves are as important as overflowing granaries.

Citibank is an important reason for more than 50,000 Non Resident Indians in 146 countries to link their future with the future of their mother country.

Today, Citibank takes pride in having brought in foreign currency deposits well in excess of Rs. 1000 crores.

Citibank and the NRI: a successful team working together. Like him, we are international.

And like him, we are at home.



CITICORP CITIBANK®

With India. Since 1902.

had conceived the idea of the pipeline and a foreign consortium of Spie Capag and NKK-Toyo Engineering Corporation executed it. GAIL only oversaw the contract.

"That's because we are really a management company," says Vineet Nayyar, chairman and managing director, GAIL. "Simply overseeing projects has aided our efficiency." GAIL has kept itself lean with an employee strength of 800. And it's this trim workforce that Nayyar credits with the commissioning of Bijaipur's LPG facility in 24 months, as against the usual 36 months.

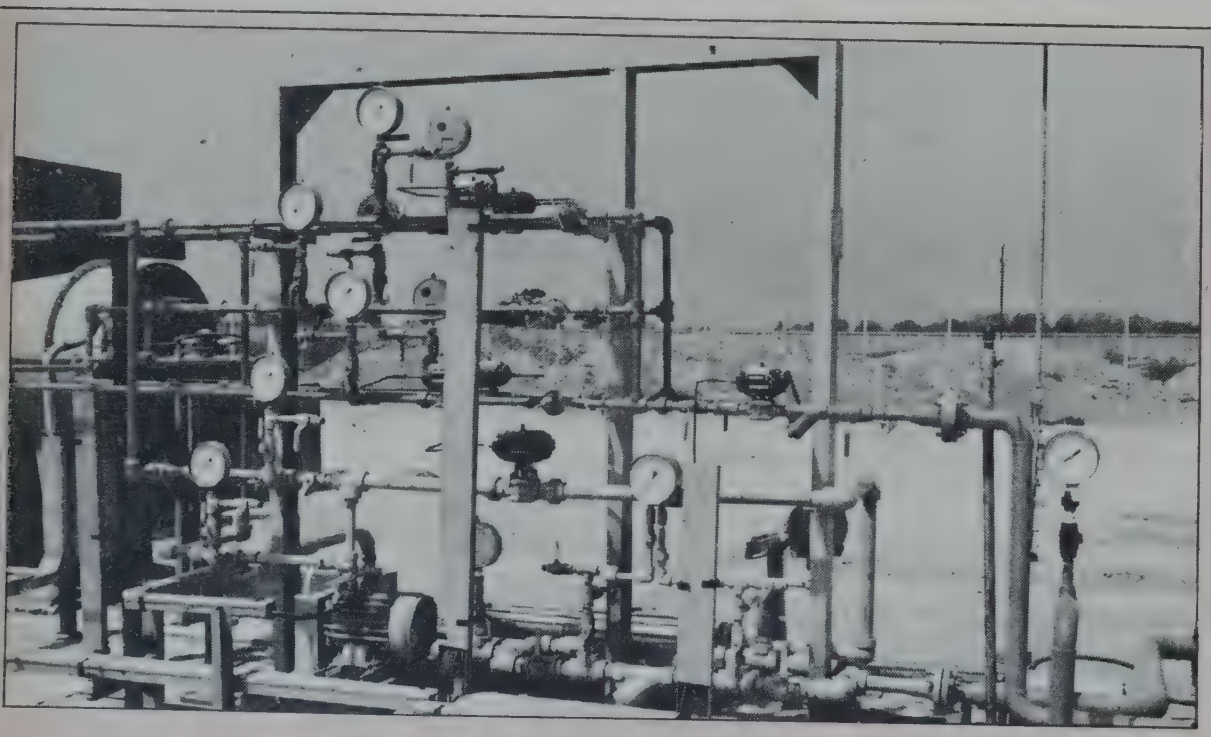
Duplication of activity

"If all they are doing is overseeing contracts, where is their specialisation?" asks an oil company executive. The argument here is that GAIL's forays have always been into areas where other public sector companies have considerable expertise, like IPCL in petrochemicals and Indian Oil in gas processing. By allowing another public sector company into these areas, the government is merely promoting duplication of activity that adds avoidable costs to the economy. "They were never meant to go into petrochemicals. Besides, they are ignoring their primary function — the marketing of gas," says an ONGC official. To which Nayyar's answer i gas processing is a legitimate funct the company. S.P. Wahi, former cha of ONGC, doesn't find it odd that G going into processing. "For the first he says, "we are watching a public undertaking being commercially a sive. Like any good company, it is ested in some value addition." Fo GAIL does not intend to add t pipeline network. Already, the go ment's policy of restricting the use for fertilisers and power generatio meant large unutilised capacity at it pipeline. Only 18 million cubic metr being pumped every day when it can handle double that volume.



LPG unit, Bijaipur: catching up with the giants

This has obviously meant an addit per unit cost. GAIL receives gas at H at Rs.1,400 per thousand cubic m When transport and other charges a ded to it, the ante goes up to Rs.2,2 Jagdishpur, the end of the pipelir that Rs.850 hike, actual transport costs come to only Rs.85, the balance depreciation of assets. A larger vo transported and hopefully sold wou



contractor to Bindal Agro.)

Tata's zero date was 10 November 1989, Chambal Fertiliser's 1 January 1990, while Bindal Agro has yet to announce one. Chambal claims to have already spent Rs.70 crore with commitments of Rs.502 crore, while Tata Chemicals says it has spent Rs.50 crore with commitments of Rs.150 crore.

PDIL, in fact, disaffirms the notion that the four companies aren't serious about the implementation. "Chambal has achieved project implementation of 24 per cent and Tatas 20 per cent while Bindal has placed orders for most of its domestic equipment," says Chandra. K.K. Birla's Chambal project, in fact, is in an advanced stage of execution after an investment of Rs.6 crore in site development at Sawai Madhopur.

In any case, the run up to zero date too was fraught with stumbling blocks. Tatas, for instance, claim that they received land clearance only in 1988 from the UP government for the project in Babrala. And if it was land fo the Tatas, then it was environmenta hazards for K.K. Birla's Chambal pro ject at Sawai Madhopur. Formerl known as Aravali Fertilisers, this pro ject's first LoI of 1984 was revoked; fresh one was issued only in 1988 afte the project was shifted to Gadepan, Ra jasthan. It was then renamed Chamba Fertilisers. The Shahjahanpur projec too ran into problems with its Lo changing hands twice — first, fron DCM to Swraj Paul and finally to Abhe Oswal in 1989.

Though GAIL would like to blam the companies' managements, the fac remains that responsibility for pro jects rests primarily with the ministry and is closely monitored by the depart ment of fertilisers (DoF). Executive re sponsibility passes on to the company only after announcement of the zero date. An industry official says, "If, they were unhappy with the projects, they ought to have addressed the problem to the DoF." The contracts were signed with the government and not with GAIL. The authority, however, insists that the contract has the approval of the DoF.

No answer. Protestations aside, the question still remains: how have all other plants planned on the HBJ

INTRODUCING

TRANSAFE

CONTAINER-ON-RENT

FOR INLAND TRANSPORTATION

Balmer Lawrie brings you India's first pilfer-proof, breakage-resistant, weather-proof cargo containers on easy rent.

It's the kind of container you've always wished for: one that keeps out highway thieves with its secure locks, minimises the risk of breakage and stops rain from damaging your goods. What's more, you don't even have to buy it. Just drive into any of our depots and take it on easy rent. As easy as that!

Yes. Containerisation is a concept that has revolutionised transport industry in developed countries. Now Balmer Lawrie brings it to India for the very first time. Made from steel and reinforced with corrugation and profile and with special lashing arrangements, Transafe guards your goods against possible damages on the Indian roads. The door gaskets serve as a perfect sealing arrangement and ensure that the severest of storms do not damage your goods. Transafe suits your specific needs according to the kind of products you carry. Transafe delivers your goods—SAFE.

You can try this out on a trip or for a period. For further details, please contact:

Balmer Lawrie & Co Ltd
(A Govt of India Enterprise)
Container Leasing Division
21 Netaji Subhas Road Calcutta 700 001
Tel: 20-6871 (18 Lines) Fax: 28-3768
Telex: 021-7435 & 021-2341 BLCA IN

- Convert any existing truck with minimum investment.
- Pay a nominal rent of only Rs 90/- per day.
- Choose from a range—to suit your requirements.

TRANSAFE
CONTAINER-ON-RENT

Moves ahead with security
Moves ahead with care



HTA 4154

duce the unit cost of transportation substantially.

Nevertheless, GAIL has taken over from ONGC the execution of the 90 km Tatipaka-Kakinada pipeline in Andhra Pradesh that will feed gas to the fertiliser plant of Nagarjuna Fertilisers at Kakinada and some sponge-iron plants coming up at the Godavari basin. Besides, some spurs will also be added to the HBJ pipeline, to Ghaziabad in UP, Delhi and Bahadurgadh in Haryana.

"Good vision"

Pipeline maintenance isn't a hi-tech activity and GAIL was getting a trifle restless with all the time on its hands after the HBJ project. "They have displayed good vision in moving into activities which will be money spinners," says Wahi. Besides, as Nayyar says, "We certainly have more relevance to gas processing than a tea company," referring to Tata Tea being chosen to execute the Haldia project.

Unfazed by controversy, Nayyar is moving ahead with GAIL's expansion, which will reduce its dependence on transportation of gas. The two 2,00,000 tonnes-a-year LPG plants at Bijaipur, when commissioned later this year, will be the largest such plants in the country. The Rs.600-crore petrochemicals complex, which was to be set up in the joint sector along with C.K. Birla, will now be implemented exclusively by GAIL. It will have facilities for propane dehydrogenation and polypropylene.

In addition, Nayyar has lined up projects worth Rs.3,800 crore over the Eighth Plan: Rs.2,200 crore of this sum has already been approved. The Rs.1,400-crore mother cracker at Auriya — which includes a gas separation, a gas sweetening plant and an ethane cracker — will have a 3,00,000 to 4,00,000-tonne ethylene manufacturing capacity. The downstream units (together requiring Rs. 800 crore) will produce linear low density polyethylene and high density polyethylene.

There are other projects, still being considered by the Planning Commission, that will be executed over the next plan — eight LPG plants ranging in capacities from 40,000 tpa to 200,000 tpa in Assam, Gujarat and Maharashtra and a fra tionating and sweetening plant at Ga dhar. Then there is also one for pipi natural gas to Bombay city, a proje which GAIL finds particularly exciting. will require no subsidies and is comm cially viable by itself," says planning dire tor Y.R. Mehta. Until a year ago, Bomb was consuming 8 per cent of the countr LPG. Replacing this with natural gas w mean releasing that much more for t rest of the country.

Of its total fund requirements Rs.3,800 crore, GAIL hopes to genera Rs.1,950 crore internally. This it expec to do mainly through depreciation, whi averages Rs.190 crore per year.

Both the ONGC and OIL had alrea projected an impression of GAIL as a co pany that is unprepared to make any a tempt to market gas, which is its prin responsibility. Now, with GAIL movi into petrochemicals and gas processin gas marketing will drop further in its pr orities. But it could be that a very hars view is being taken of what was basically struggle for survival. Faced with a restri tive environment, what GAIL did was move aggressively to protect its comme cial future — a gesture that, perhaps, cal for a round of applause.

■

ARIF SHAR

Gas based fertiliser plants commissioned in the eighties

Plant	LOI issued on	Began commercial production
RCF (Thal) 2 plants	Feb 2, 1980	April '85 (5/2) July '85 (5/5)
KRIBHCO (Hazira) 2 plants	Nov 21, 1980	March '86 (5/ Both plants
Indo-Gulf Fertilisers (Jagdishpur)	Feb 27, 1984	Nov. '88 (4/9)
IFFCO (Aonla)	Mar 21, 1984	July '88 (4/4)
NFL (Bijaipur)	Jul 24, 1984	July '88 (4)
Chambal Fertilisers (Gadepan)	Oct 16, 1984	Dec 31, 1993*
Tata Chemicals (Babrala)	Jun 28, 1985† Sept 15, 1989	Dec 1, 1993*
Bindal Agro (Shahjahanpur)	Aug 21, 1985¶ Sept 1, 1989	

* Expected commissioning on the basis of their zer dates

† Tata's first LOI lapsed and was renewed on September 15, 1989. An LOI is awarded for a speci period of time.

¶ LOI for Shahjahanpur was first awarded to Apee Surrendra who later withdrew.

Note: *Figures in brackets indicate years and mont taken to commission since the date of issue of LOI.*

Source: *Fertiliser Association of India*

pipeline come up on schedule? These include two plants each of KRIBHCO and RCF, NFL's at Bijaipur and Indo-Gulf's at Jagdishpur. They, after all, also needed the same ministerial clearances. To that question, there is no satisfactory answer.

Be that as it may, two of the four companies, ie, Bindal Agro and Nagarjuna Fertilisers, have agreed to GAIL's condition and will sign the contract for picking up the gas. "Compared to our total project costs of almost Rs.700 crore, a deposit of Rs 4.4 crore and a bank guarantee of Rs 13.2 crore is really negligible. We wouldn't like to hold up our project for that sum," says Abhey Oswal. Bindal, in fact, will sign the contract only in exchange for the capital goods import license that is holding up the project, a clear indication of its eagerness.

In fact, it is the lack of a capital goods import license that is holding Bindal back from announcing its zero date. Part of the blame must definitely go to the DoF, which itself is in some disarray without an agriculture minister or a secretary. Both the additional and the joint secretaries have taken over responsibilities only a fortnight ago.

Curiously, GAIL's stringent stipulations in the contracts are not balanced by any penalty against it for defaults in supply. Nayyar, though, claims, "We are not likely to default as the pipeline is in place." The fertiliser industry's retort to that is, "What happened in Assam could repeat itself in Gujarat — people in Gujarat could protest against gas being moved out of the state." The question here is more basic, since no public utility company is liable for penal action in case it fails to provide its service to its customers.

In any case, the existing plants are complaining that gas is not being supplied at the adequate pressure. To counteract this, all of them have had to instal expensive pressuring equipment. GAIL, however, claims that its contract does not stipulate supply at any specific pressure.

Another complaint is that the marginal delays in commissioning the HBJ project had forced NFL to commission its Bijaipur plant with naphtha rather than gas. In fact, the plant ran on naphtha for the first few months. "GAIL paid no compensation for that," says a company official. Subsequently, the company took the matter to court. And this promises to be a trendsetter because it has the possibility of private companies being penalised for defaulting on project execution.

MORE THAN 700 ORGANISATIONS ALL OVER INDIA HAVE PUT THEIR TRUST IN ONE EPABX SYSTEM.



IT'S MADE BY TATA TELECOM.

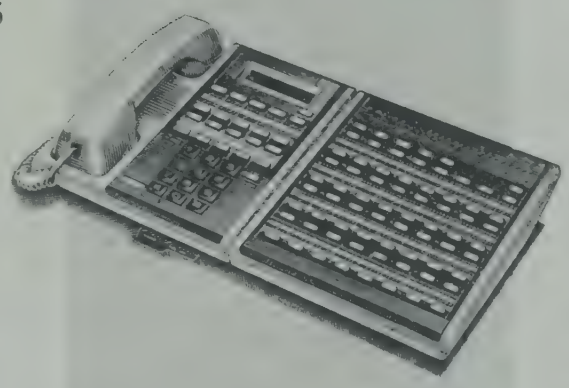
The communications equipment shown above is a part of the Digital EPABX System from Tata Telecom. One of the many that Tata Telecom manufactures to meet varying needs of diverse industries.

Digital EPABX Systems ranging from 25 to 7000 lines.

Systems with Stored Program Control providing advanced communication features.

Systems that have been assembled and tested on the finest machines available anywhere. With technology from Oki Electric Industry Company of Japan - the world leaders in the fields of telecommunication and information processing.

Backing all these is a Rs. 12 crore worth infrastructure that serves as the backbone for customer service.



Little wonder then why over 700 organisations in more than 16 core sectors of the industry have chosen communication systems from Tata Telecom.

Digital EPABX Systems from Tata Telecom. State-of-the-art technology that is relevant to today's needs and that of the future.

For more information on Tata Telecom Digital EPABX Systems, contact:

Tata Telecom Ltd.
E - 1/1, G.I.D.C. Electronics Estate, Sector 28,
Gandhinagar 382 028. Tel: 21773, 21774.
Tlx: 0120-3231 TTLG IN.

DIGITAL EPABX SYSTEMS
FROM

TATA
TELECOM

TECHNOLOGY FOR THE FUTURE WORLD

Karishma/TT/138/2418

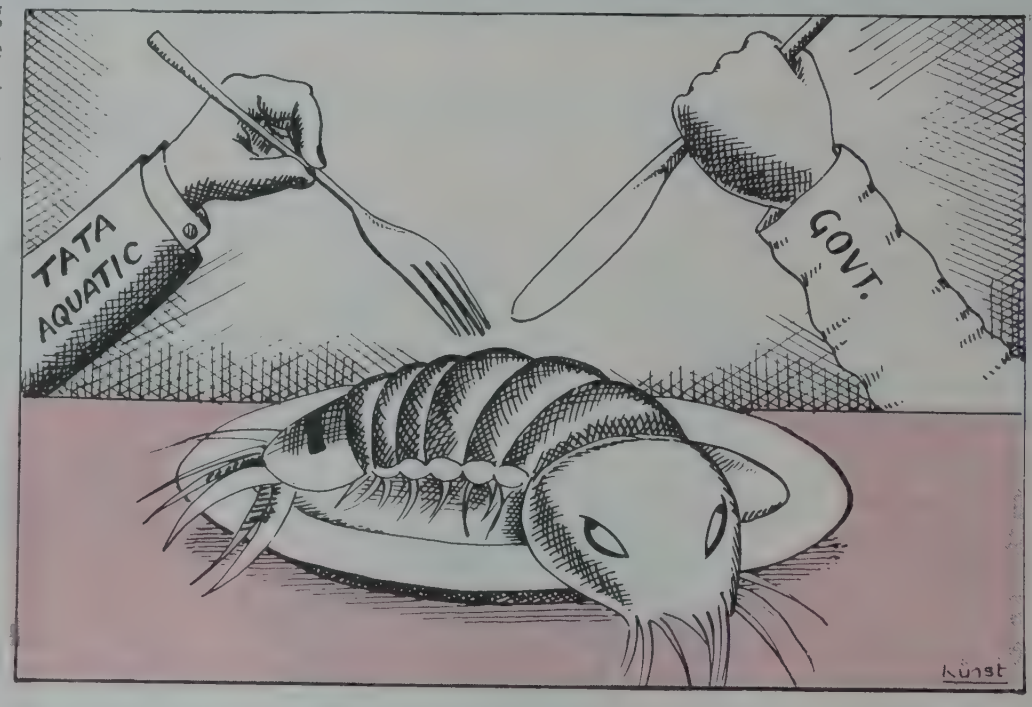
TATA AQUATIC

Caught in a bind

Political imbroglio has sounded the death knell for a once promising project

Even before the marriage has been consummated, the two are on the verge of a divorce. The warring couple: the Tata Aquatic Farm Orissa Ltd (TAFO) and Orissa's ruling Janata Dal party. At stake is a prestigious project, the likes of which Orissa and perhaps the country has never seen before.

In a bid to cash in on the bright prospects for aquaculture, the Tata Oil Mills Company Ltd (TOMCO) had signed a memorandum of understanding (MoU) with the Orissa government in July last year. The result was TAFO, a Rs.14 crore project set up for growing and exporting tiger prawns to the growing American and Japanese markets. In all, 710 hectares of land (to have been taken on lease from the state government for 15 years) in Panasapada village on the edge of salt water Chilka lake in Puri district of Orissa was chosen as the site. The area provided the requisite brackish water and was also free from pollution. While financial institutions had been roped in to provide loans of Rs.10.5 crore, four copromoters were bringing in the equity capital of Rs.3.5 crore.



TOMCO was to pick up a 30 per cent stake in the company while the Orissa government agreed on 10 per cent through its Orissa Maritime and Chilka Area Development Corporation (OMCAD). The other partners were steel giant TISCO (50 per cent) and the American technical collaborator, Aquatic Farms Ltd (10 per cent). "TISCO which has a stronger presence in the East was to handle all dealings with the government and we were to provide the scientific skill required," says R.H.Thanawalla, TOMCO's deputy general manager (Foods). TOMCO could also have taken advantage of the rich experience of its subsidiary, International Fisheries Ltd, one of the pioneering Indian firms in the field of shrimp exports since the mid sixties.

After the MoU had been signed, the next four months were spent in the paperwork involved in the formation of the company in Bhubaneswar. TAFO was finally incorporated on 17 October 1989. Had construction begun as planned in January this year, the first batch of prawns could have been exported exactly a year later. According to the company's projections, the first year's sales turnover would have been Rs.8.65 crore and this figure would have touched Rs.50 crore after three years. But it was not to be.

Elections, first to Parliament and then for the assembly, put on hold progress including land acquisition (OMCAD took possession of the land but did not pass it on to TAFO). By now, the Tata companies had sunk about Rs.50 lakh into the project largely on an experimental farm outside TOMCO's factory in Madras. Biju Patnaik becoming the chief minister changed the scenario drastically. The project was viewed as a Congress brainchild and Patnaik had vowed to scrap it, in his elections speeches. "We became victims of the pressures and counter pressures of politics," says a Tata hand. A leading industrialist in Bhubaneswar cites another reason for the delay. TAFO has run into rough weather because Patnaik and TISCO supremo Russi Mody do not see eye to eye and have clashed in the past over mine leases.

Patnaik seems to be making good his election promise. Through a policy sion, the state government recentl cided to give priority preference to s fishermen for the cultivation of pra under the aegis of the fisheries de ment or directly through OMCAD cording to senior Tata officials, Janat activists recently engineered an agit against the project by local traders. S Janata Dal politician in Bhubanes "Tatas are robber barons who are p dering Orissa's rich mineral resour With an anti-Tata attitude of this kin fact that the going has become toug the premier business house is surprising.

Trebling production

According to Nanda Patnaik, chief dent representative of the Tata Bhubaneswar, an attitude of this kind only work against the local populace. tie-up with advanced foreign techno will help double, even t production when pared to traditi methods and the ben will trickle down even t small fishermen. As pe MoU signed, there is agreement for pract demonstrations for l farmers, passing on technology and supply feed and seeds to the reasonable rates." W the hatchery is being signed to handle 100 lion post-larvae (b shrimps) per year, the p cessing unit, if and w completed, will be abl turn out 1,600 tonne prawns per year. "An operation of t kind is very labour-intensive and it definitely work out in favour of the loca says a TISCO executive.

But perhaps it might be too late. "Fo practical purposes, from our side the p ject has been forgotten, unless the p government changes its attitude," s Tata spokesman in Bhubaneswa could turn out to be no mere threat. Fo delegation of high ranking officials fr the Maharashtra government's fishe department recently called on some nior TOMCO executives. Their mission viting the Tata group to start a pra culture farm in Palghar on the outskirt Bombay. Will Orissa's loss then, be Ma rashtra's gain?

■ NAGESH RAO and RAJU B

Singapore Airlines introduces Raffles Class.

(It's more than just Business as usual.)

lon't have a Business Class anymore. Instead, we have Raffles Class. Where gentlemen can freshen-up with toiletries
ina Ricci — or Elizabeth Arden for our lady passengers. In an ambience that says it's more than just business as usual.

SINGAPORE AIRLINES

THE PSYCHO-ANALYSI

(Shouldn't you know what yo

Man on the move.
you hate being made to wait.
Most of all for
your own luggage.
You love the breezy
portability of Skybags.



OF A SKYBAGS OWNER...

(ybag's been saying about you?)



You exude a friendly elegance.
But the quiet toughness does surface
when provoked. You're glad
Skybags' tear-resistant
fabric has been specially imported
for that underlying toughness.

Truly a man of the world,
you want the world's
best – no matter where in the
world it comes from.
You fully approve Skybags'
specially imported zip.

You believe in subtle
yet lasting bonds.
Strong, trusted alliances
that stand up
beautifully to the tests
of time. You secretly
admire the very solid
[illegible] of Skybags.

You can't resist picking
up something artistic even if
it reminds you
of the books you haven't
yet sat down to write.

V.I.P Skybags

Makes perfect
business-travel
sense.

FESTIVAL GREETINGS

The gift is the message

Come Diwali and frantic activity begins in companies large and small. The hunt for this year's perfect corporate gift sends both buyers and sellers into a tizzy. Advertising takes on a frenzied 'festival' look as newspapers and magazines are swamped with ads for products as diverse as pens, thermoware, diaries and suitcases — all being hawked as giftable items.

Gone are the days when the crackle of cellophane paper meant the unearthing of joys like *kishmish*, *badam* or *barfi*. Today the accent is on being different, preferably exclusive. After all, a business gift is not merely a gesture of goodwill; it must remind the recipient of the company right through the year.

A new industry

Companies certainly go the whole hog when making gifts. To employees, to dealers, to suppliers, to buyers, and above all, to government officials. Apart from Diwali, October also ushers in the conference season. This too is another segment since conference attendees are sent home with pen sets, ashtrays, and other mementoes of the event.

In the last seven to ten years, there has emerged an entire industry that thrives on the business of gifts. Says Madhup Vaghani, marketing director, Milton Plastics: "Making an informal estimate, we figured last year's gift market was worth Rs.165 crore. This year it should touch Rs.300 crore." Consequently, all manufacturers who are even remotely connected with the manufacture of 'giftable' items are going all out to promote their wares as 'ideal corporate gifts'.

Brand new job functions have emerged within companies which have incorporated institutional sales departments whose sole job is to acquire bulk orders for gifting; advertising budgets are directed towards a prefestival burst; new products are created with the specific intention of marketing them as gifts. Some companies, with gift budgets running into several lakhs, have departments that are occupied July through October in planning and identifying gifts.

"Everyone is into gifting today, from small time printing presses to multinational companies and banks," says Vaghani. "Sales to institutions account for over 35 per cent of our total sales," he adds. Milton Plastics raked in Rs.12 to 15 crore on institutional s alone last year, and hopes to double figure this year.

Among gifts of the edible variety, ch lates are taking over from traditio *mithai*. Vinita Bali, marketing manage Cadbury's, estimates that the gift ma for chocolates was Rs.12 crore last yea of which Cadbury's share was 70 per c The launch of Overtures, Cadbury's signer chocolates, was orchestrate



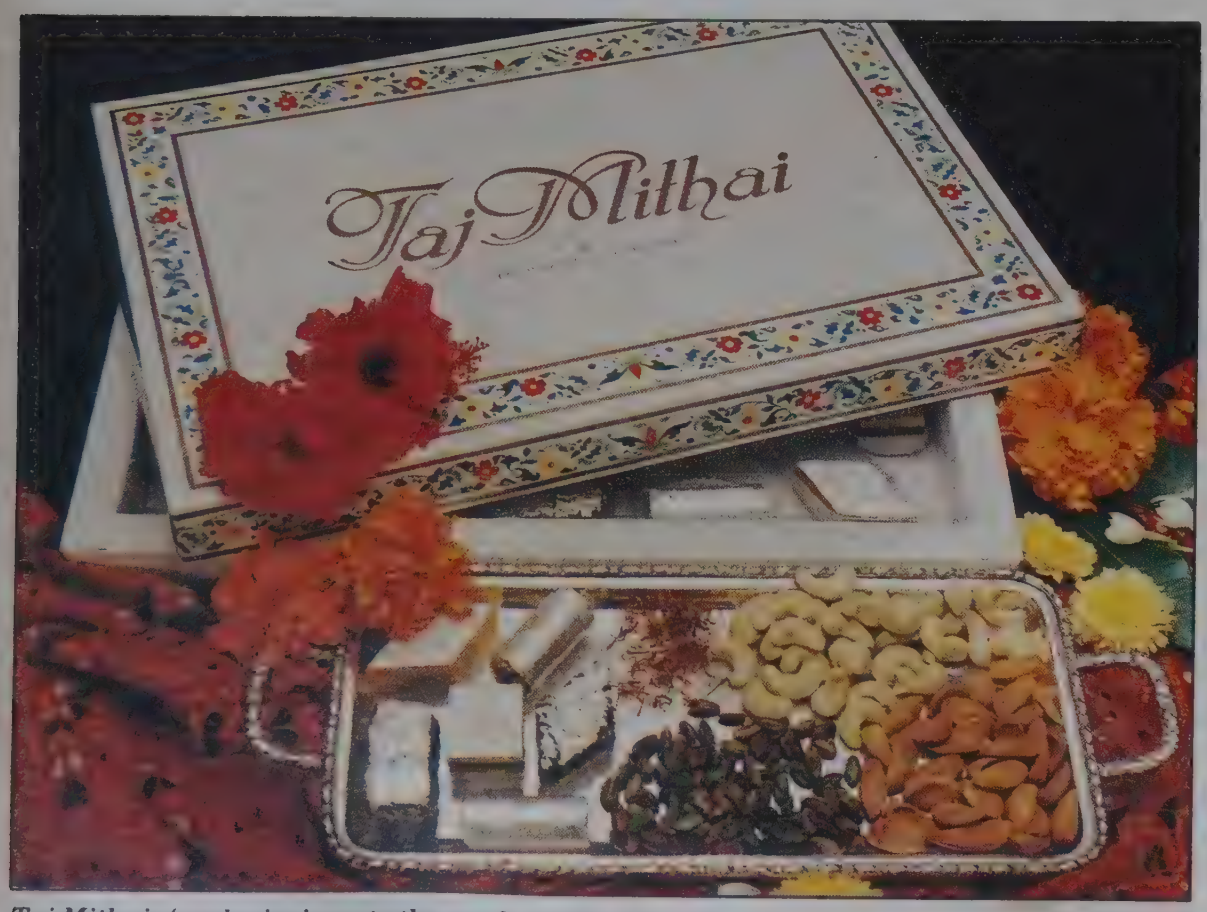
Cadbury's Overtures: wooing those in search of novelty

enable the company to take a bigger bit the festive market. Attractive packag and an exclusive retail outlet with a signer look backed by an aggressive campaign is Cadbury's formula for woo those in search of the novelty factor.

The corporate gift is increasingly be viewed as the perfect opportunity to re force a company's corporate image a product brands. The gift in fact is used the message. Siwa Clocks offers a des facility that not only incorporates t company logo or mnemonic, but if ord are placed sufficiently in advance, ev designs entire clocks to company spec cations. Says Sital Saraf, sales manage Gupta and Goel, the makers of Siwa cloc "This year, we have made a clock for Pr ter and Gamble in the shape of a Vi cough drop with their *khich-khich* m monic at the centre of the dial."

Aggressive marketing

Siwa prides itself on its range: rosewo mounted conventionals to graphic re and yellows that have taken the market storm. Every year, before Diwali, the co pany aggressively gears itself to securi orders. Says Saraf, "We participate in e hibitions, send out mailers and catalogu and our sales boys go from office to offi



Taj Mithai: 'exclusive', costs the earth and more

l of course, we advertise in the press."
syear, Siwa will spend Rs.9 lakh on pre-
ival publicity, which will be money well
nt as half of Siwa's present Rs.3 crore
nover is recorded in these months.
he price range offered is an important
sideration in the gifts market. "The av-
ge amount a company spends on a single
is Rs.200 at the middle executive level.
ough the bulk of the purchase is in that
ge, there is a fairly substantial demand
the Rs.500-plus category too. This is
ere the high priced gift sets fit in — as do
cks, dinner sets and suitcases. The larg-
chunk of orders, however, are for items
ow Rs.60 (diaries, pens, calendars, etc),
area that is largely left to the unbranded,
organised manufacturer.

price barriers

e Taj Group, however, sees no price bar-
rs in this market. The just-introduced
Mithai costs the earth and more. It has
en priced at a whopping Rs.340 for a
lf-kilo box. Vinay Ketkar, general man-
er, Taj Air Caterers, says the sweets are
ade of the choicest dry fruits and con-
n no milk or essence. And naturally
ese sweets are meant for an 'exclusive'
entele — large companies which can
ord it. Already, the Taj sales team has
gun making the rounds of corporate of-
es to pick up bulk orders.

Despite the apparent wide variety and
oice available, choosing a gift can be a
oblem. Corporate gifting, in fact, has
sumed such large proportions that
any organisations get their business just
om getting buyers and sellers to meet.
e recently-held Gifts and Goodwill Ex-
bition in Bombay pulled in over 20,000
ople over a period of four days. Says
khil Modi, director of the Fairplay Ex-
sitions group: "The opportunity was in
lowing buyers to see several items under
e roof and then make their choice."
hile silver coins of Goddess Lakshmi re-
ain a hot favourite, customised gifting is
owly catching on. According to Modi,
ere are now more imaginative gifts like a
ather-bound jewellery box, tailor-made
fit into a bank vault.

However, it is apparent that despite the
dustry's growth from Rs.25 crore in
987 to Rs.165 crore in 1990, manufac-
rers have yet to make a concerted effort
realise its full potential. Elements of
rofessionalism and innovation are visi-
e only now. As people have now realised,
ore than the thought, it's the corporate
nage that counts.

SONIA and DUSHYANT MEHTA



THE ESSENCE OF LEADERSHIP IS OFTEN NOTHING BUT SHEER CUSSEDNESS.



Tell Kirloskar Electric a job can't be done and it's like showing a red rag to a bull. We can't resist it. But all the engineering genius in the world can come to nought without sheer staying power. Once we take on a job, we never give up.

Take just one instance. The 125 KW DC roller table motors for the blooming and slabbing mill at the Bokaro Steel Plant. The original motors, imported from Russia over twenty years ago needed to be replaced. What made the job really difficult was the fact that the new replacements had to be interchangeable, both mechanically and electrically, with the originals. And yet perform better.

As they say in electrical circles, when everybody else shies away, get Kirloskar Electric. The Bokaro people called us. Picture the scene. 35 tonnes of red hot iron billets, each following on the heels of the previous one, at a temperature of 1000°C, crashing on rollers and then travelling at murderous speeds to be sprayed by jets of water.

We watched and studied the drives for weeks, then got back and made a detailed proposal with designs. Go back, they said. They had raised the ante. The motors had now to work for at least 8 hours at a time even if the supply of cooling air was stopped. We had to raise the output without changing the physical dimensions an iota. We re-designed the whole motor with a far superior insulation scheme and excellent heat transfer capability.

End of story? Hardly. Our prototype failed. One of the windings overheated by 30° Kelvin and the commutation ability of the machine was poor.

Throw in the towel, everyone told us. No way, we said. We went back to work with a vengeance. Now listen to this. In 10 days, yes 10 days flat, we re-designed the windings. We have, after all, perhaps the finest electrical design engineers in the country.

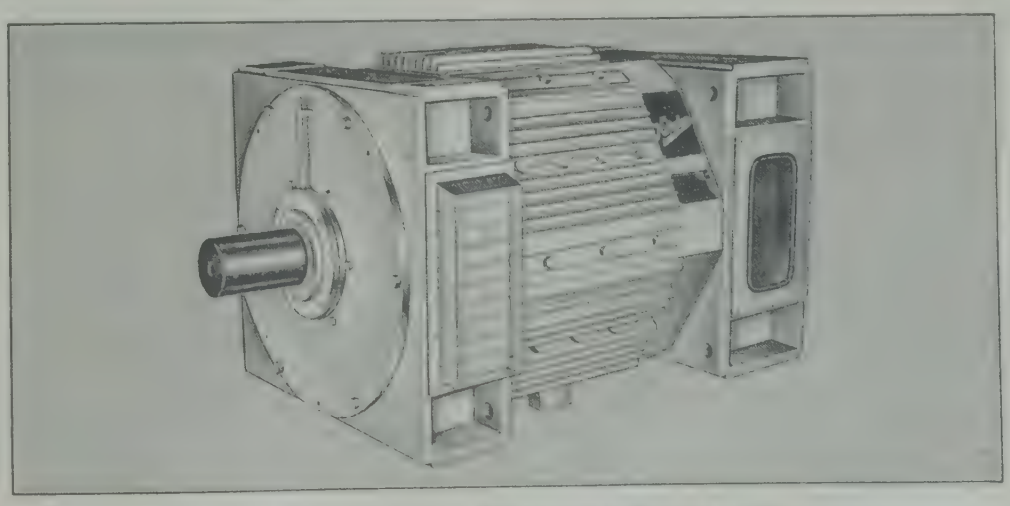
Those motors are working just fine. And they saved a substantial amount of foreign exchange.

But Kirloskar Electric is more than the sum of all the firsts it has earned over the years. We are India's leading industrial electrics and electronics company in the private sector. We make some of the finest standard AC and DC drives, transformers, welding equipment and systems, motorised gear units, equipment for defence, electronic control equipment, CNCs,etc. But the one single reason why we are the prime movers in our field is because the centre of gravity at Kirloskar Electric is the customer. Our hi-tech, engineering expertise, superior quality and reliability are all geared to anticipate and respond to his needs.

KIRLOSKAR ELECTRIC CO. LTD.

INDUSTRIAL ELECTRICS AND ELECTRONICS

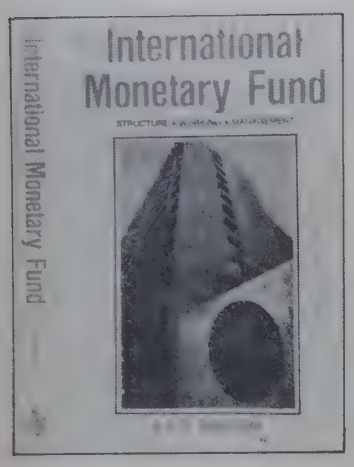
Regd. Office : Industrial Suburb, Rajajinagar, Bangalore-560 010.



When nobody else can do the job, Kirloskar Electric will.

SEEKING AN IMF LOAN

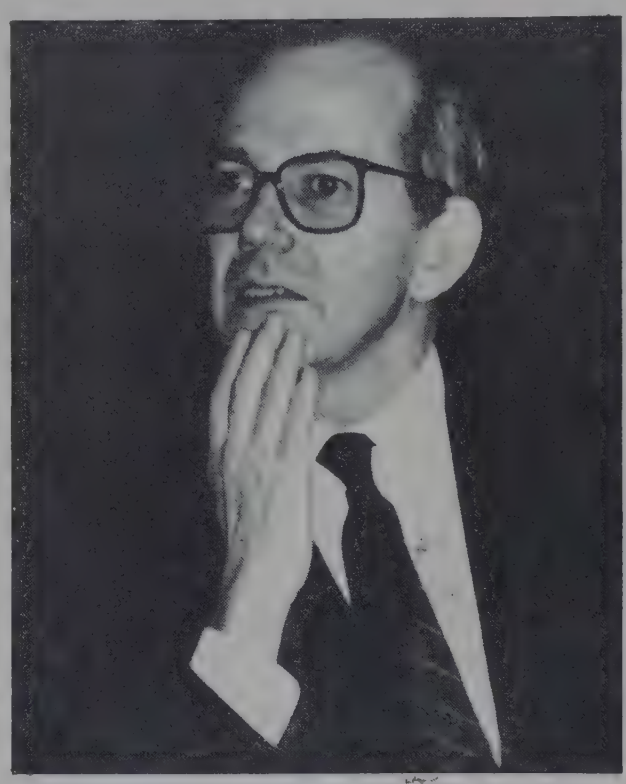
Myths and reality



The Gulf crisis has shown up the fragility of the country's economy. The balance of payments position has worsened and we need hard cash badly. Finance minister Madhu Dandavate's overtures towards the International Monetary Fund would therefore seem to make good sense. However, an IMF loan would only provide temporary reprieve. What is needed rather is more aggressive policies of economic development

No sooner the National Front government was installed in power, it made a noise about the poor shape of the economy inherited from the previous government. The fact, though, is that till a few months ago, the Indian economy was moving along well. The corporate sector was booming, food production was expected to reach a new record, inflation was reasonably under control and the capital markets were soaring.

But is there really a shortage of funds at present, as the government would have us believe? Internally it would seem not, as nothing much has changed in the domestic economic environment and a generally buoyant undertone still prevails. But externally India needs money, and in hard foreign currency.



M. Camdessus, managing director, IMF: will the loan come with strings attached?

The events that led to a public acknowledgement by the Union finance minister Madhu Dandavate that India had not ruled out a loan from the International Monetary Fund (IMF), are well known. The invasion of Kuwait, which kicked up oil prices and threatened to increase the country's balance of payments deficit for 1989-90 by another $2 to 3 billion, also had other ramifications. India was put on watch by the two US-based credit rating agencies, Moody's Investors Services, and Standard and Poor. Both lowered the country ratings of India for long term debts as well as short term obligations.

The main difficulty

These developments have a bearing on each other. Just when India needs to expand its borrowings in the commercial markets, the lowered credit ratings have made investors rein in the supply of funds to what is already a tight market.

Indian paper from redoubtable organisat such as ONGC, ICICI, Air India, etc, found a tance at fine rates difficult. Confirms a chie financial institution, "We are finding it diffic raise $100 million in the market."

Seeing these developments, the finance m ter and his team were quick to make a pres tion at the IMF-World Bank annual meeting i last week of September. This led to specul that India was indeed seeking a loan from th to tide over its expan balance of paym deficit.

The truth of the m is that at the time of ing there is no forma plication from the In government for any ty IMF loan. Discussions officials in North B the head quarters o Union ministry of fin (MoF) show that the ernment is waiting fo IMF to respond to ce discussions held in W ington. Says a senio nance ministry officia accompanied Danda on the trip: "There is n plication for an IMF yet. We have asked th authorities to modif CCFF (Contingency pensatory Financial Facility)."

The Compensatory Financing Facility (was established in 1963. It was modified se times in the course of the years, giving addit drawing rights to primary exporters to c shortfalls in their export earnings caused b tors largely outside their control — clim changes that could hit production, poor re tion of products, etc.

Scope widened

Originally, the CFF covered only shortfal earnings from merchandise exports, bu

pe was widened in 1979 to permit the inclu- n of shortfalls in receipts from invisible travel workers' remittances. In 1981, coverage was ended further to provide assistance to mem- s whose balance of payments was adversely cted by a sharp increase in the cost of cereal orts.

n August 1988, the Fund established the CCFF help developing nations to obtain money for owth-oriented adjustment programmes". It sists of several distinct elements and replaces CFF and the facility relating to cereal imports. reserves the basic features of compensatory ancing — it provides financing to countries h temporary export shortfalls or excesses in eal import costs owing to factors beyond their trol — but it also has a contingency feature. ntingency financing is designed to help coun- s pursue "Fund-supported adjustment pro- mmes" and to maintain "the momentum of se programmes" in the face of adverse exter- shocks. The facility, in short, is provided to ist members with balance of payments diffi- ties that are temporary and not caused by the mbers' policies.

Borrowings under CFF are allowed if the bor- ving country undertakes to take necessary cor- tive policies in co-operation with the Fund to tify its payments imbalance. All these borrow- s fall in the category of low conditionality.

What India has submitted to the interim com- ttee of the IMF — the highest policy making dy — is a request for modifying the CCFF. Says . Chavan, the former Union finance minister, rom Professor Dandavate's few comments it pears that the IMF was not very responsive to dia's need." The fact is, says Chavan, that "the is in serious debt problems with its own $500 lion deficit. The US and the are suspicious of united rmany because, all said and ne; the German currency is ll the strongest of all. Tech- logically and economically rmany is far superior. The C too is emerging as a strong rket."

ances dim

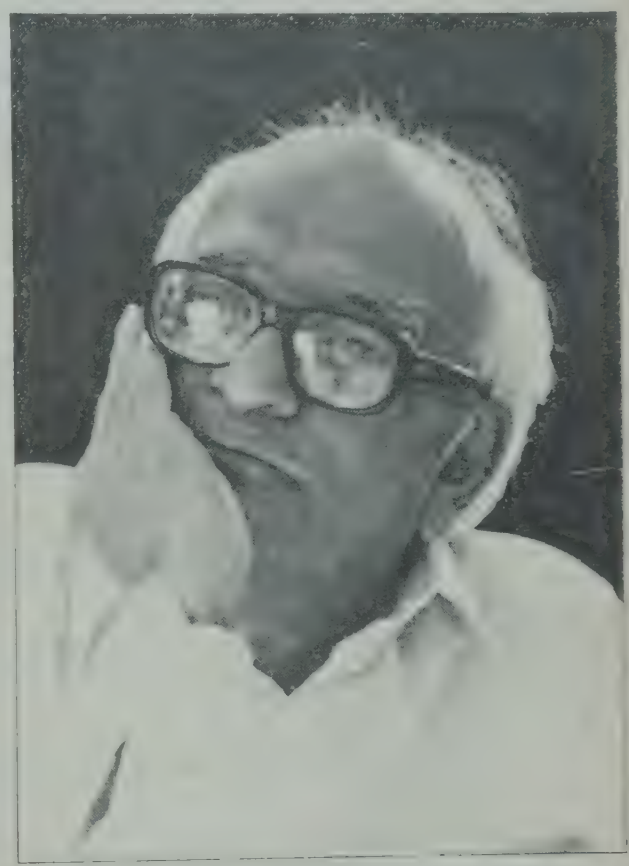
ven these developments, and spite the government's word at the atmosphere at the IMF s friendly, Chavan thinks dia's chances of getting the FF are dim, as the IMF is ely to use this tool politically. all probability, the facility ll be available to those who e willing to toe the line of the ," he says. However, a senior MoF official states that India's suggestion has been accepted by the committee which will put it to the IMF board. This is significant because India's current access to IMF funds under this facility is very low.

Had there not been a crisis in the Gulf, in all probability India would not have qualified for assistance because the country has been performing better than most developing countries, judging by the three indicators of debt formalised by the World Bank. By World Bank calculations, severe indebtedness is determined when the ratio of debt to GNP is 50 per cent, debt to exports 275 per cent, and debt service to exports 30 per cent. India's debt to GNP ratio was 18 per cent; debt to exports was 223 per cent, while the debt service to exports ratio stood at 25 per cent.

If the IMF considers India's request for a change in the CCFF computation favourably, then Dandavate and MoF officials will have pulled off a coup of sorts. This is because, unlike the extended fund facility (EFF), to which there can be several strings attached which would dictate how the government should run the Indian economy, the CCFF is virtually condition free.

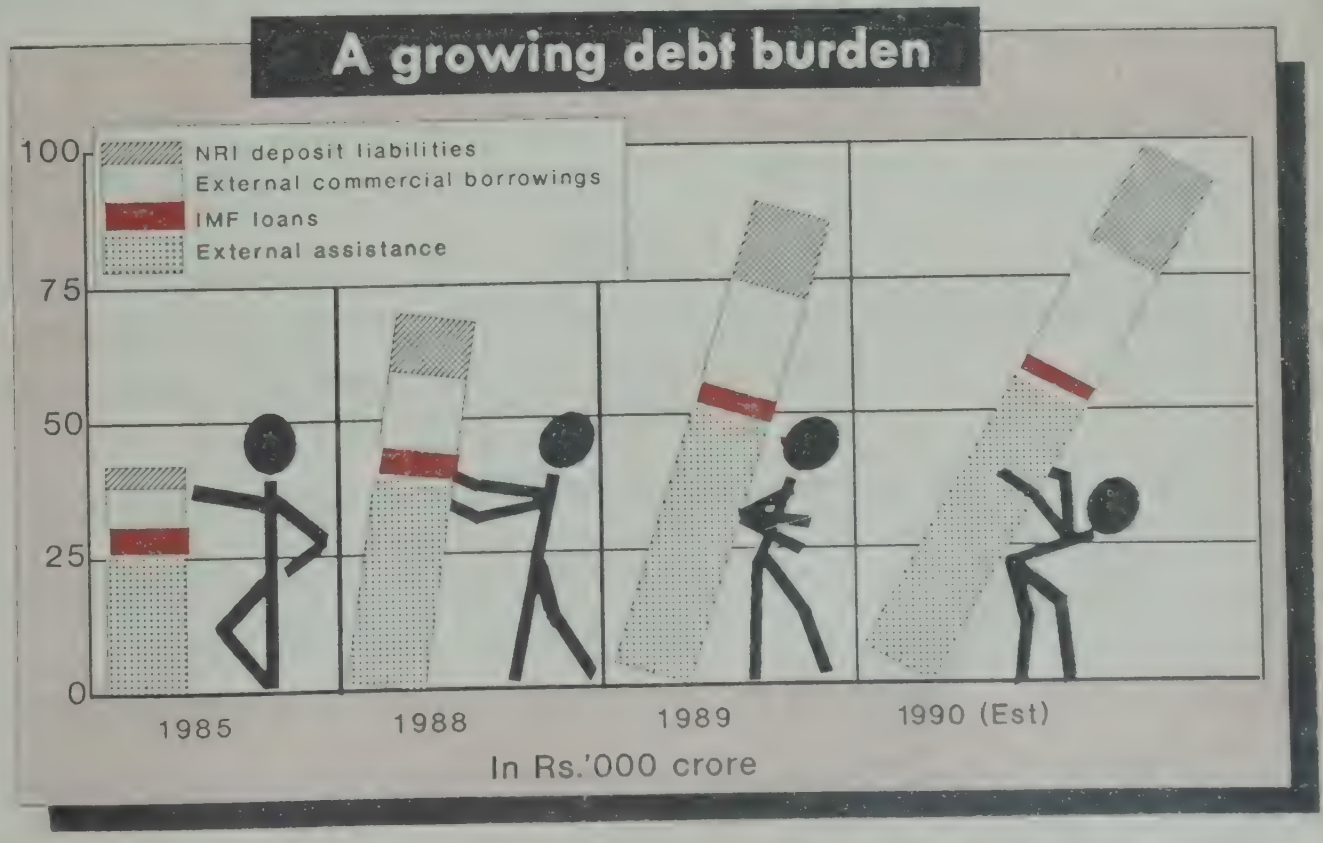
Extended fund facility

Under EFF, a country "is obligated to enter into arrangements (full understanding)



Dandavate: can he swing it?

A growing debt burden



You need to know the right source for quality chemicals – HOC

Hindustan Organic Chemicals (HOC) manufactures a wide range of basic chemical intermediates at modern plants located at Rasayani (Maharashtra) and Cochin (Kerala), to meet the growing needs of various vital industries.

HOC's quality products have gained international acceptance and earned prestigious awards for export performance.

MAIN PRODUCT RANGE

Acetanilide • Acetic Acid • Acetic Anhydride • Acetone •

Meta Amino Phenol • Aniline • Butene-1, 4-Diol •

Butyne 1, 4-Diol • Di-Chlorobenzene • Cumene •

Cyclohexyl Amine • Meta-Dinitrobenzene • Formaldehyde 37% •

Nitrobenzene • Meta-Nitrochlorobenzene • Ortho-Nitrochlorobenzene •

Para-Nitrochlorobenzene • Di-Nitrogen Tetroxide (N_2O_4) •

Meta-Nitrotoluene • Ortho-Nitrotoluene • Para-Nitrotoluene •

Oleums (20%, 24%, 65%) • Phenol • Resorcinol • Sulphuric Acid 98%

BY PRODUCTS:

Acetic Acid (Dilute) • Hydrochloric Acid • Iron Sludge • Phenyl Cyclo Hexyl Amine • Spent Sulphuric Acid • Sulphite Sludge • Sulphur Sludge

HOC is currently in the process of estimating present and future demand for its products. Please write at the following address indicating your present and future demand:

Marketing Division:

HINDUSTAN ORGANIC CHEMICALS LIMITED

(A Government of India Enterprise)

Harchandrai House, 81, Maharshi Karve Road, Marine Lines, Bombay 400 002.

Tel: 314269-71-72 • Telegram: 'HINORCH' BOMBAY • Telex: 011-84706 HOCL IN

– Pioneering Progress Through Chemicals

the Fund (IMF) promising strong adment measures according to an eed, comprehensive programme of cy action."

hese measures could include the aboli- or liberalisation of foreign exchange import controls; devaluation of the hange rate; domestic anti-inflationary grammes including bank credit ceil-; higher interest rates ceiling on the ernment deficit; curbs on spending; an ease in taxes and in prices charged by lic enterprises; abolition of consumer sidies (particularly food subsidies); a ing on international reserves; and con- of wage rises.

he Indian economy has certainly been pardised by events that were beyond country's control. Even the most exme pessimist cannot say, "I told you so. should have prepared a contingency n for any event." Yet the West Asian sis has put a tremendous burden on ia's already strained hard currency re-ves. A note prepared by the MoF gives idea of the impact of the Gulf crisis on ia's BOP for a 12-month period pro-ted from 1 October to 30 September 00.

urces of worry

cording to the note, the short term BOP ects of the Gulf crisis consist of the fol-ing elements: a direct increase in the port bill of petroleum and petroleum ducts; an adverse impact on the flow of nittances and deposits from the Middle st; large expenditure of foreign exange on repatriation and rehabilitation the most seriously affected Indian rkers in the Gulf; and an adverse imct on the export of goods and services to Middle East and the industrially adnced countries.

However, the real sources of worry are rosene and high speed diesel. The govnment doesn't wish to touch these beuse they are inputs in agriculture, nsport and used as fuel by the rural



Chavan: the chances of a loan are dim

population. Gasoline, usually the target of most taxation, constitutes only 6.48 per cent of demand.

Side by side with the IMF facility, the government needs to continue working at garnering resources from the commercial borrowing market. India's commercial borrowings have leapfrogged from Rs.6,908 crore in 1985 to about Rs.23,000 crore in 1990. For a country which is reputed for being a tough negotiatior, and plays tight on terms, the sources of funds today, contrary to fears, are not drying up yet. But cost of borrowing has certainly increased to 35 to 40 basis points (0.35 to 0.40 per cent over the London Inter-Bank Offered Rate, LIBOR), according to officials in the department of economic affairs, MoF.

They confirm that so far India was getting away with fine rates. "For example," says one official, "China has been paying 100 basis points over LIBOR for 8- to 10-year-old loans. Despite all our problems, we do not envisage paying anywhere near that rate. But compared to the past, we will pay a little more, depending on how and when the country times its issues." In the assessment of the officials, there has already been a slight escalation after the country was put on watch by the credit rating agencies.

Given the fact interest rates all over the world are firming up and supply of funds receding, it would be unrealistic to suggest that India is in too unfavourable a position. The fact is, however, that whatever be the mean or standard rate, India will have to pay more than she paid earlier. There is an unprecedented thirst for good quality paper today and a flight of capital towards quality. Which does not mean that all investors are going toward 'AAA' paper, but that they are seeking to upgrade their loan portfolio.

While India continues to be investment grade material, different investors — commercial banks as well as institutions — assign it different weightage for different reasons. For Germany, for instance, it is a question of turning homewards as its eastern half requires large doses of capital commitments. At the other end, Japanese institutions and banks are liquidating their assets overseas to meet capital adequacy ratios as 1992 approaches. (Under a Bank for International Settlements' agreement, banks worldwide have to conform to higher capital adequacy ratios by that date.) So, if these two countries appear to be slowing their investment in India, it is no reflection of their perception of India as an investment risk.

Currency mobilisation effort

An IMF credit facility may or may not become reality. Even if it does, India will still require funds from other sources. Commercial borrowings may not be the ideal alternative but they will continue to be very much an integral part of the hard currency mobilisation of the Indian government. (At the time of going to press, the finance minister had called a press conference for 12 October where he was expected to talk about the IMF loan.)

Members of the external commercial borrowings department have been quietly applying their minds to identifying new sources of funds. Says a ministry of finance official, "We are not very well known in the markets abroad. So, as a country, we have tried to avoid depending solely on the easiest market, such as commercial banks. As part of a plan for the current financial year (before the Kuwait crisis) we decided to go for instruments that would take us directly to institutional in-

ebt Service (US $ million)

	1984			1989			1990		
ountry	Pub*	Pvt*	Total	Pub*	Pvt*	Total	Pub*	Pvt*	Total
dia	1,673	443	2,115	4,790	499	5,229	5,576	509	6,085
rea	4,580	780	5,361	5,576	2,279	7,855	4,481	1,780	6,261
land	1,932	0	1,932	4,178	0	4,178	3,703	0	3,703
nezuela	2,762	1,056	3,817	3,329	1,245	4,574	3,380	1,256	4,636
ina	1,896	0	1,896	4,384	0	4,384	5,812	0	5,812

Pub = Public and Publicly Guaranteed
Pvt = Private Non-guaranteed

THE INSTITUTE OF CHARTERED FINANCIAL ANALYSTS OF INDIA

(In collaboration with The Institute of Chartered Financial Analysts, Virginia, USA)

ADMISSION NOTICE

THE CFA PROGRAMME

Academic Council

Dr. Prasanna Chandra
Professor of Finance - IIM (B)

Dr. L C Gupta
Director, SCMRD New Delhi.

Shri Thomas A Bowman, CFA
Vice President ICFA, USA

Dr. M N Kaura
Faculty Member, ASCI Hyderabad.

Prof. N Krishna Rao
Professor of Finance IIM (C)

Prof. V Raghunathan
Faculty Member, IIM (A)

Dr. Y B Yalawar
GM, KSFC
Bangalore

Dr. P G Apte
Professor of Economics, IIM (B)

The American Institute

The Institute of Chartered Financial Analysts, set up in 1959 at Virginia, USA is the only institution of its kind in the world. It offers a three year training programme leading to the designation Chartered Financial Analyst (CFA) which is a highly valued professional qualification. Since its inception it has awarded the CFA designation to about 12,500 candidates. Interested in advancing the cause of professionalism in the field of financial analysis, it is collaborating with the Institute of Chartered Financial Analysts of India, in offering the CFA Programme in India. There is an in-built facility for Indian CFAs to acquire the CFA qualification from ICFA, USA.

The Indian Institute

The Institute of Chartered Financial Analysts of India has been established in 1984 as a non-profit educational society. ICFAI is a member of:

- Asian Securities Analysts Council, Japan.
- International Council for Distance Education, Norway.
- The International Coordinating Committee of Financial Analysts Associations, Paris.

The CFA Programme

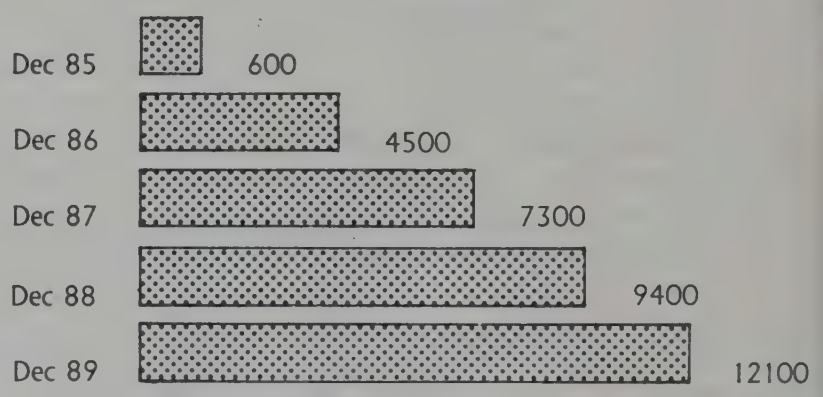
The CFA Programme is a three year training programme primarily focusing on financial analysis and its application in three broad areas: Corporate Financial Management, Investment Management, Management of Financial Institutions and Financial Services.

The programme is divided into three levels, six groups and twelve subjects:

Preliminary	
Financial Accounting	Quantitative Methods
Financial Management	Economics
Inter	
Economic Legislation	Security Evaluation
Management Accounting	Project Appraisal
Final	
Adv. Financial Management	Investment Management
Financial Services	Indian Financial System

Subject-wise waivers are available as indicated in the Prospectus.
Leading institutions like RBI, IDBI, UTI, ICICI and IFCI reimburse the CFA Programme fee to their staff.

CFA Enrolments



Current enrolments exceed 13,000

Eligibility:

Graduation (any discipline). Final year students can also apply. The applicants are required to qualify in the Admission Test **(Date: Jan. 20, 1991)** to be conducted at 25 centres. Certain categories of applicants such as CAs/CWAs/ACSs/MBAs/CAIIBs/First Class Graduates/First Class Post-Graduates are exempted from the Admission Test.

Prospectus

Please write with complete address and a DD for Rs. 50 drawn in favour of 'ICFAI' to: The Administrative Officer (CFA),

The Institute of Chartered Financial Analysts of India,
Road No. 3, Banjara Hills, Hyderabad 500 034.
Phone: 229062, 229286, Grams: 'ICFAI' Telex: 0425-6065 CFA IN,
FAX: 0842-229107

stors. We are in the process of accessing e US markets where we hope to raise 00 million in the next few months." The ea is to try and make up for the possible ort fall in the European market.

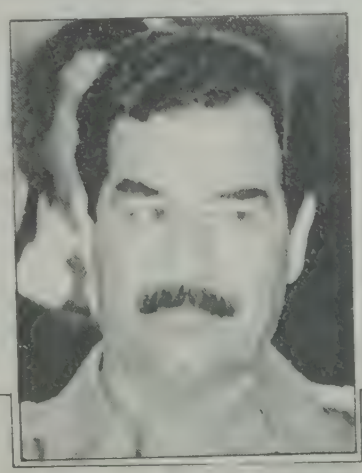
But if these schemes don't work, the F's extended finance facility — which dia availed of in 1981 — is open to us as ast resort. A cross section of conserva- e bankers, economists and government ficials strongly feel that at this stage dia does not need such a loan. Says the airman of a bank based in Bombay, "The ulf crisis is temporary and can be tackled cutting down on oil imports and in- easing self-reliance in oil. We can pass the burden of high cost to the consumer that consumption automat- ally declines. At the same time e should explore alternative urces of energy, and also allow l exploration by the private ctor. In addition, NRI remit- nces may be tapped in greater rnest."

P.R. Brahmananda, monetary conomist formerly with Bom- ay university, is of the ew that the present sit- ation could provide the overnment with the op- ortunity to divert at- ention from "non- ssues such as Mandal nd Ram Jan- abhoomi/Babri Mas- d to the more serious ssues of strengthening he Indian economy". He uggests that the gov- rnment could go in for a upplementary budget o raise more taxes or ven declare a financial mergency to drive ome the seriousness of he situation.

No need for panic

Yes, there is a crisis. But there is no need for panic. What is called for is a dedicated approach to managing the economy and hard political decisions taken quickly. Brahmananda also sees a temporary problem arising from the Gulf crisis. "An IMF loan like the one we took in 1981 is not required today," he says. He recommends instead that the money supply be brought down to 6 to 8 per cent as against 12 per cent currently and a hike in interest rates so that savings increase. He does not favour an IMF loan because, unlike in 1981 when he recommended the loan, the government now is weak and will not be able to take measures on its own to create the conditions for repayment. Taking the IMF loan would only push the present crisis into the future and probably render it grimmer.

Brahmananda's fears apart, what are the other elements that make an IMF loan seem so unattractive? Is it the conditionalities which bother our decision makers? Actually, looking closely, one finds that most of these conditionalities are already being met by India's economy. The government is already committed to containing inflation and price rise; the economy is being gradually liberalised; the rupee is consistently being devalued; and credit and money supply curbs are already in place.



What perhaps makes the government hesitate on the conditionalities is the issue of subsidies and foreign collaborations. The political situation being as volatile as it is, the government would obviously not want to displease certain segments of the economy by cutting on the subsidies. And as one observer puts it, "An open democratic political system and a closed economy just do not go together."

So, opening the door to the outside world, rather than pulling the shutters down, seems to be the more pragmatic option. And India has no doubt been following a policy of liberalisation over the past few years. Unfortunately, however, it has not been innovative enough.

Not enough

While *Business India* has consistently supported liberalisation, it has also argued that the steps taken have not gone far enough. In the matter of foreign exchange, for instance, we have always pushed for radical changes as against the blinkered view of the government. The rigid import and exchange controls have created a psychological subservience in the minds of people. These have also affected our public and private sector companies' ability to compete in the international market. On the other hand, it has given an impetus to the black market in foreign exchange.

A simple solution to overcome this impediment for instance could be to have a dual market system for foreign exchange. Such a proposal is both conceptually simple and can work very easily. For example, the government could decree that out of all export earnings or NRI remittances, a percentage shall be sold to the RBI at the official price, while the balance could be sold freely and legally in the open market.

A corollary of such a dual market would be to do away with the import licencing procedures. As long as imports are compensated by higher exports, there should be no cause for worry. In modern economies, debt is no longer a taboo and rightly so. Gone are the days when a typical middle class individual would equate indebtedness with bankruptcy.

As for the foreign exchange reserves, the approach should be not to maintain 'adequate' balances but to ensure that whatever is spent is earned back with interest. And all this could be done not by tightening the belt, as the traditionalists would suggest, but by following aggressive policies of economic development. If this can be achieved there is no reason to fear.

■ BASUDEV DAS with ALPANA KILLAWALA



Oil pipelines in Kuwait and (inset) *Saddam Hussein: India hard hit*

Efficient economy, strong economy



N. VAGHUL

The pressure on India's balance of payments is bound to ease soon. India's past record of economic management has amply demonstrated the country's ability to overcome such situations with credit. Our economic managers can be trusted to hammer out a solution without, in anyway, impairing India's growth prospects.

The issue is not so much as how we shall deal with the situation in the short run as one of adopting a sound strategy in the medium term. The problem of a large external debt will not be solved by contracting more debt. It can be solved only when there is a positive shift in our external trade balance; the achievement of which ought to be our obsessive concern over the next five years.

It is true that our exports are growing at over 15 per cent in dollar terms, and our trade deficit is narrowing (without taking into account the impact of the Gulf crisis). But it is becoming increasingly obvious that this order of increase in exports is hardly adequate to service the large quantum of external debt contracted. The sharp increase in external debt in the latter half of the eighties was in a sense unavoidable given the liberalisation process and the step-up of economic activity. But in retrospect, it looks as though a significant part of this debt has gone towards the satisfaction of domestic consumption needs, rather than building up export capabilities.

"Strange paradox"

Our economic situation presents a strange paradox. The domestic economy appears today stronger than ever before. With three successive years of good monsoon, the supply position is good. Industrial production, after some lag, has picked up and is growing at a highly satisfactory rate. Corporate performance has been uniformly excellent. For the first time in several years, no major industry as such is sick. Capital market is very healthy and investors are willing to back good projects with gusto. But we have not been able to convert these strengths into sound export performance.

What has gone wrong? For over two decades now, we have been raising the slogan "export or perish", but we have not been able to achieve any major breakthroughs. It is clear that any strategy aimed at merely boosting exports is bound to achieve only limited gains. It is necessary to aim at increasing the total volume of external trade, otherwise we run the risk of losing our presence in the international market place. Secondly, it is doubtful whether the policy of creating a separate 'export sector' as distinct from the domestic market and adopting a different set of approaches between the two has yielded tangible results.

A strong export performance is the product of not merely fiscal and financial incentives bu outcome of a liberal and progressive dom policy. It is the considered opinion of many pe that, despite the liberalisation that has t place, domestic policies are still not geare top export performance. Informed internat opinion is also critical of India on this scor

There has always been a section of world ion which is hostile to India. It refuses to se merit in India and never believes that India ever do well in any sphere. We are naturall concerned with this group of people. But, an section which had always been sympathe India's problems and needs and generally a ciative of India's difficulties is now getting s ily disillusioned. They campaign that In getting out of step with the world; it is cha too slow to make an impact; the gap be promise and performance is widening and ir India is missing out trade opportunities.

Back to the market

A broad consensus is emerging in the against the concept of centrally planned omies and in favour of re-establishment of ket forces; against total protectionism a favour of relatively freer trade; in favour of r shifts in the pattern of government interve over industry. The success stories of the Asian countries during the last two decade in more recent times, the experience of cou such as Thailand and Indonesia has force eral developing countries to re-examine th velopment policies. To many devel countries including Russia and in Easte rope, the debate on the goal is over. The is merely one of working out the process of t tion. It is in this background that there is a ing feeling that India's policies are not i with international trends.

Should we be bothered about interna opinion at all? After all who are the foreig advise us as to what is best for our country can they be expected to understand the s problems of our country? The model of de ment which succeeded elsewhere in the wo viously cannot succeed in a country population of over 800 million, a third of w living in abject poverty. We need to evolve a which is rooted in our soil, tailored to ou nomic needs. These arguments make sen they miss one essential element.

We need not be bothered about intern opinion sympathetic or otherwise, had been running a continuous external trade rent accounts deficit and a need to bor bridge the gap; had we not built up a sizea ternal debt which we need to service and

The author is chairman and managing director, Industrial Credit and Investment Corporation of India

had we not to rely on the developed world for import of technology. Our goal of wanting to be strong and self-reliant is understandable, indeed creditable, but self-reliance cannot be built up through a process of isolation. In a fast changing world environment, where inter-dependence between countries is the order of the day, maximum economic benefit can accrue only if we integrate ourselves with the world economy.

Foreign investment?

This is not to say that we throw caution overboard and blindly imitate successful strategies. The complexities of our problems cannot be underestimated or ignored. We cannot do certain things merely to satisfy world opinion. But on the other hand, it is necessary for us to do some serious introspection to see which of our policies are coming in the way of achieving a speedy turnaround.

We need to look seriously at the following four issues. One, the policy regarding foreign investments in India; two, the extent of protectionism to the domestic industry; three, the nature of the relationship between the government and the private sector industry and lastly the role of public sector in industrial development. All the four issues are no doubt highly sensitive, but a time has come to examine them free from ideology.

A sensible relaxation in the policy relating to foreign investment could by itself bring about a significant shift in the international opinion towards India. There is neither hope nor danger (whichever way one wants to look at it) of the country being immediately swamped by billions of dollars of investment, if the doors are opened. There is demand for international capital from several quarters, and the quantum of funds available for investment is by no means very large. India needs to resort to some hard sell to attract its share of investment. But the policy would send powerful signals about India's intentions of keeping in step with world trends and integrating itself with the world economy. Indian economy has reached sufficient maturity and the Indian industry has acquired sufficient strength to use foreign investment to the country's advantage rather to the detriment. Over a period of time, direct foreign investment could well turn out to be an effective substitute for costly external debt.

The issue of protectionism is comparatively a difficult proposition. The Indian industry has often claimed that its competitiveness, vis-a-vis the rest of the world, has often been eroded due to a host of factors, such as high capital cost of the project, high interest rates, high cost of imports, etc. But if India has to integrate itself with the world economy, the bitter pill has necessarily to be swallowed. While no dramatic reduction in the level of protectionism overnight is possible, there is a need to develop a clear and specific long-term goal in consultation with the industry and move towards that goal with a single-minded purpose. Given sufficient time and co-operation, there is no reason why the Indian industry will not adapt itself to a much lower level of protectionism. International competitiveness is after all as much the objective of the industry as that of the nation.

If there is a considerable degree of consensus, it is on the issue of liberalisation — in regard to decontrol, delicensing and simplification of procedures. Practically everyone seems to agree that there is a need to lessen the Government's control over the industry and allow the industry greater freedom of operation. But regrettably, the measures taken so far towards this end seem to be halting, half-hearted and marginal. The attempt seems to be to retain the framework of controls and regulations and modify the exemption limits with a view to giving the appearance of liberalisation. More often than not, the modifications do not even cover the inflation factor.

What is needed on the other hand is a fundamental re-examination of the relationship between government and industry — the whole gamut of permits, licences, quotas and regulations. The existing framework needs to be drastically altered and this calls for a bold initiative.

Finally, the problem relating to India's public sector needs to be resolved once and for all. The emergence of the public sector as an integral part of India's economy in the sixties was, no doubt, based on sound economic sense. In a country where entrepreneurship was still underdeveloped and narrow, there was powerful logic for the State to fill in the gap. But after three decades, we should have the wisdom to concede that our initial expectations have been belied. The public sector has failed to generate resources, and, on the other hand, has become a net dissaver. It will not be an exaggeration to say that the public sector has in no small measure contributed to the budget deficit; in a way it is true to say that it has been responsible for diverting resources which would have otherwise gone for the amelioration of the rural poor. Such resources, on the other hand, have been used to meet the losses arising out of low efficiency and low productivity.

If there is no way of improving public sector performance in the medium term so that it can generate resources commensurate with the investment, a sensible alternative would be to go in for a controlled divestment of the State holdings with a view inter alia of relieving the pressure on the budget.

The accent ought to be on efficiency. The domestic economy today is strong and growing at a satisfactory rate. What is needed is to impart to it a degree of efficiency. It is on the foundation of a strong and efficient domestic economy that we can build our export effort. This should be the corner stone of our medium term strategy.

FOR INDUSTRY OF THE '90'S

HOW TO GET RID OF NAGGING BREAK-DOWN PROBLEMS IN YOUR PLANT ?

INDIAN INSTITUTE FOR FOREMEN TRAINING (IIFT)

offers consultancy services in CONDITION MONITORING to Indian Industries.

Traditional concept of breakdown / preventive maintenance is giving way to Predictive Maintenance, specially in capital intensive process industries e.g., Steel Plants, Cement Plants, Thermal Power Stations, Petro-Chemical Complexes, Paper Mills etc. whereby it is possible to ensure –

- **Reduction of Downtime of Machines and Equipment**
- **Productivity Improvement**
- **Optimisation of Profit**

IIFT has set up a Centre for Condition Based Maintenance in collaboration with M/s. WOLFSON MAINTENANCE, UNIVERSITY OF MANCHESTER, U.K. With the portable instruments available at the Institute, Vibration Measurement and Monitoring of Critical Machines can be carried out at regular intervals as a process of predictive Maintenance. Analysis and Interpretation of Data can be carried out with the help of Computer Software.

Our Consultants, specially trained in U.K. and ably supported by our U.K. Collaborators, will offer their services in Customers' premises.

For further details, please contact :

Director
INDIAN INSTITUTE FOR FOREMEN TRAINING
Kansbahal 770 034
Dist. Sundargarh (Orissa).

PRESSMAN

OFTWARE EXPORTS

Abort, Retry, Fail?

ecent policy announcements give reason for good cheer, but if this otherwise romising industry is to do well, there is much that remains to be done

the recent policy changes are adhered , the Indian computer software industry ill take a great leap forward. At the nnual conference of the National Asso- ation of Software and Service Com- anies (NASSCOM) in New Delhi last onth N. Vittal, secretary to the Depart- ent of Electronics (DoE), unveiled an mbitious plan: achieving $400 million orth of software exports in the next year. his was followed by a series of major pol- y announcements to help achieve the rget.

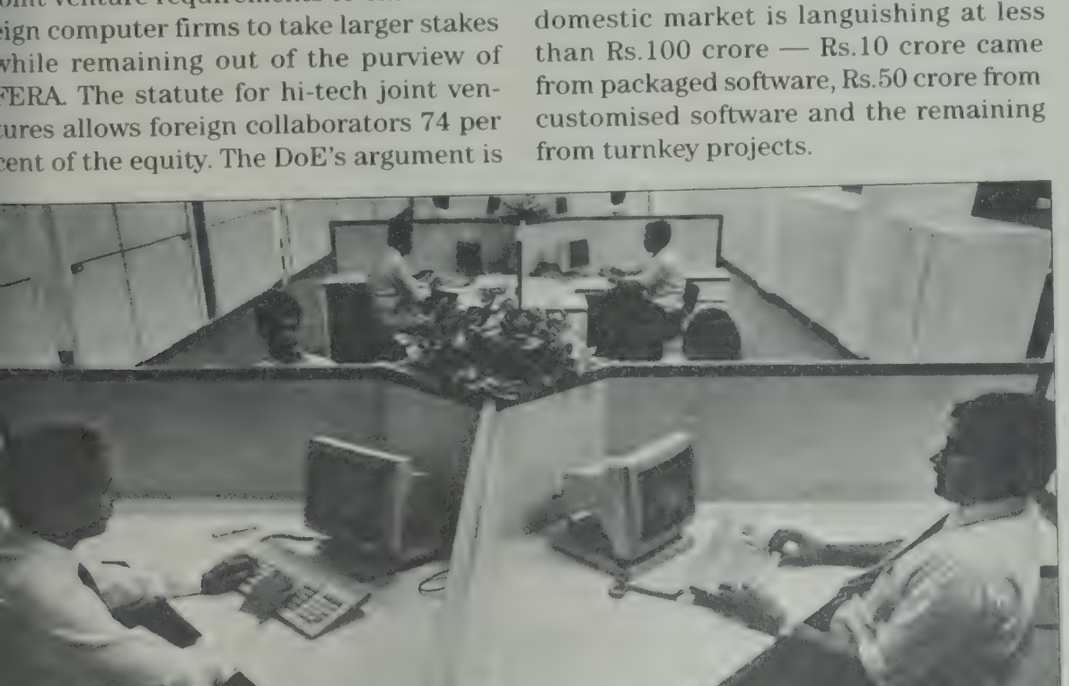
These policy changes are no doubt over- ue, but that they finally arrived was rea- on enough to celebrate. Still, if India is to ecome an international software force, nuch more must be done to help the ndustry.

Iore incentives

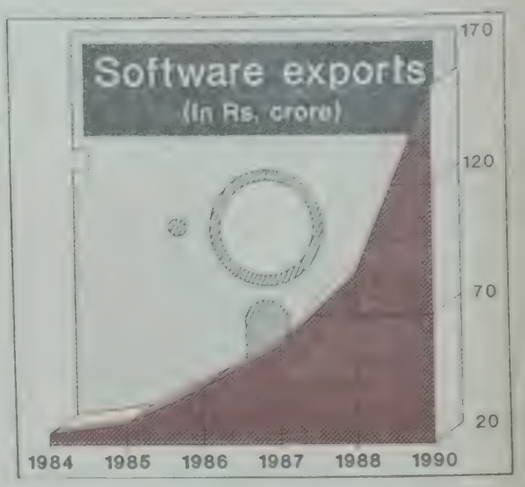
olicy announcements include scrapping ouble taxation of software companies nd the income tax on exports, reducing ustoms duty on hardware and raising the xport limit. Meanwhile, policy makers re working on providing more incentives o the industry. The DoE is restructuring oint venture requirements to enable for- ign computer firms to take larger stakes while remaining out of the purview of FERA. The statute for hi-tech joint ven- ures allows foreign collaborators 74 per ent of the equity. The DoE's argument is that software is a hi-tech product and therefore should have this benefit. If the DoE's recommendations are implemented, it would naturally attract more foreign companies to India.

Hitherto, the government's vacillation and the software companies' emphasis on manpower exports rather than overall growth has hindered a promising industry. And while the government is only now recognising the potential of software as a major foreign exchange earner, the industry too is organising itself and putting an end to the squabbles that once divided it.

As the export market promises quicker returns, the Indian software industry has hitherto ignored the domestic market. The DoE now finds itself in a spot. It has been able to set export targets but has little knowledge of the size of the domestic market. For the Seventh Plan, DoE set an export target of Rs.300 crore in consultation with the industry. It was never met. Exports stood at Rs.175 crore with a major contribution from larger companies like Tata Consultancy Services, Tata Unisys, Datamatics and Citicorp Overseas Software Limited. For the Eighth Plan period, the target is Rs.2,000 crore, while the domestic market is languishing at less than Rs.100 crore — Rs.10 crore came from packaged software, Rs.50 crore from customised software and the remaining from turnkey projects.



Domestic software development: problems galore

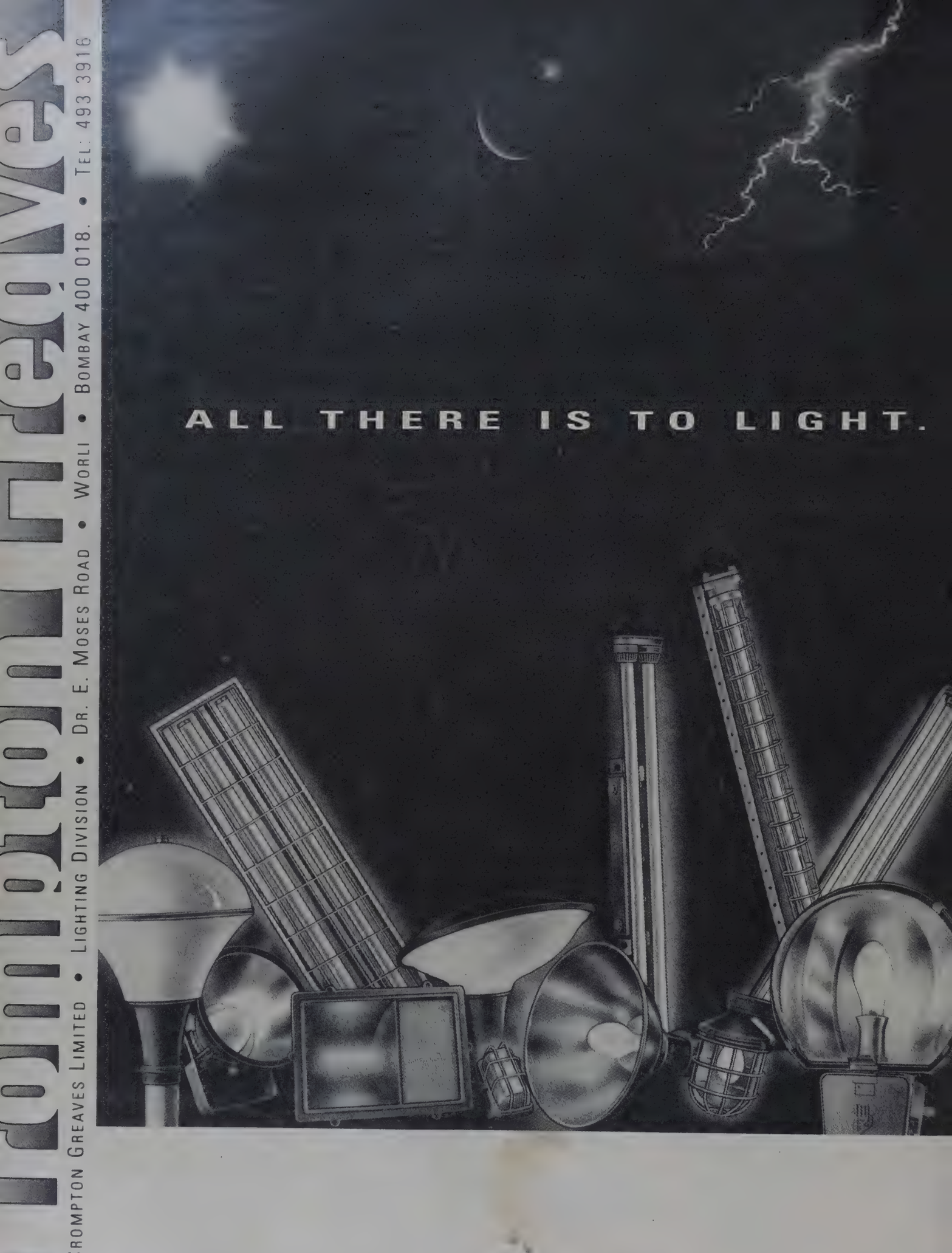


Even if the software industry is today perceived as predominantly export-oriented, its performance has been rather dismal. The DoE has finally faced the fact that its Rs.300-crore target — a ten-fold increase over that in 1985 — was too optimistic. "Very few companies were engaged in the activity then (1985) and the software policy itself came at the end of 1986, leaving very little time for results," says a DoE official. Apart from official misjudgement, the industry's response was not encouraging. According to Ashok Patni, director of the Bombay based Patni Computers, "There is very little else the government can do now. It's up to the entrepreneur."

According to Ashank Desai, director of Mastek, a Bombay based software company, software developers are of two types: small professional groups handling turnkey and customised software contracts, and the large companies. Typically, those in the first group earn between Rs.50 lakh and Rs.5 crore in revenue. They include companies like Mastek, Softek, Infosys, PCS, Kale Consultants and PSI. While several smaller developers have secured large turnkey projects, both at home and abroad, overseas operations suffer for the same reasons that have retarded exports.

The industry's problems are easily identified — inadequate telecommunication infrastructure, bureaucratic irritants, lack of venture capital for finances, high communication charges in India, and limited bank finance — available only to buy hardware. Telecom charges are higher than those charged internationally and direct satellite links with project sites abroad are an expensive option.

These complications delay schedules and marketing, prevent the establishment of a strong domestic installed software base, encourage piracy, and erode the credibility of Indian software houses.



Crompton Greaves Limited • Lighting Division • Dr. E. Moses Road • Worli • Bombay 400 018. • Tel: 493 3916

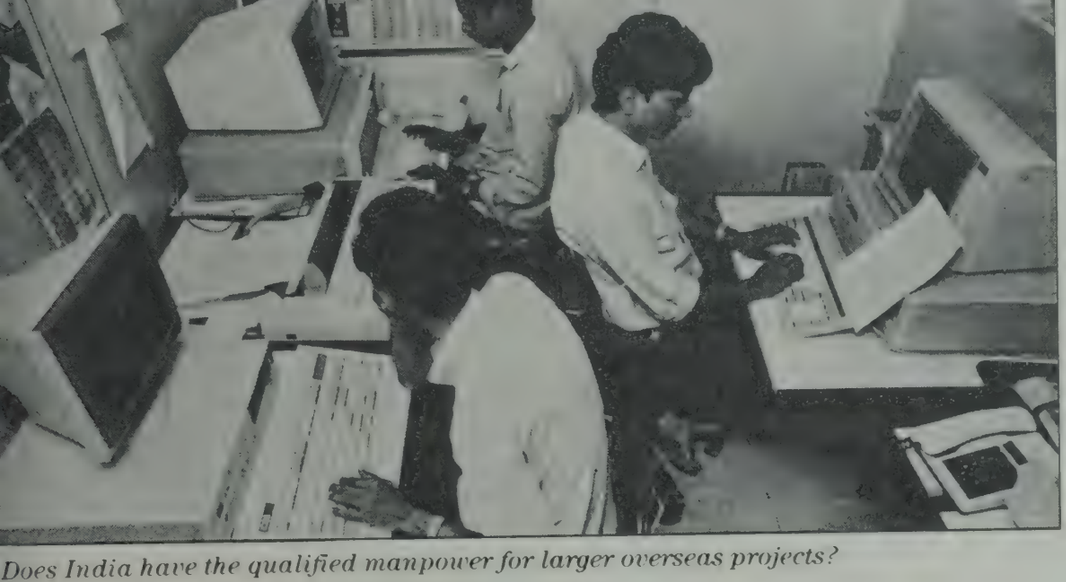
THAT INCLUDES industrial and commercial lighting. Street and floodlighting.Specific Luminaires such as Flameproof and Increased safety type. And home lighting including bulbs and tubelights. Made by Crompton Greaves. The widest range of luminaires you can get. And that, we're afraid , is all there is to light (not counting the sun, the moon, the stars and lightning, of course.)

Crompton Greaves LIMITED

LUMINAIRES

What can, therefore, be done to improve the situation? "The less government control the better," says Jain. "We do not need too many incentives and controls; the government should focus on developing the domestic industry." But other sections in the industry want more incentives and liberalisation.

Harish Mehta, president of NASSCOM, sees the difficulty in the international market as mainly an image problem. He points out that domestic piracy in the market results in software available at very low prices. This, inevitably, is a deterrent to both the development of indigenous software and efforts to promote the domestic industry. According to Patni, the only way to improve the domestic market is to increase the installed hardware base. "This can only happen if hardware costs are lowered; presently they are very high."



Does India have the qualified manpower for larger overseas projects?

National strategy

"The Indian market is cost sensitive," says N. Srinivasan of Intech Systems. However, he adds, "it is, psychologically, the best training ground for exports since there are so many impediments to remove before implementing a software project." DoE officials also maintain that success in the international market requires a strong domestic base. The only route to success, they say, is by executing large projects in the domestic sector, which must be considered a national strategy. Says Harish Mehta, "Fiscal benefits, user education and official promotion of legal software is required for the domestic industry to improve."

Unfortunately, in the projects segment, the public sector is the largest customer, which creates its own problems. For example, if the Rangarajan committee's recommendations for bank computerisation are implemented, it could generate business worth up to Rs.5,000 crore over the next four to five years. But according to Srinivasan and many others, CMC, the public sector computer giant, grabs most of the orders. In the very same manner, the huge Rs.10-crore Bombay Stock Exchange computerisation project too was snatched away from under TCS's nose last year. Private software companies raised such an outcry that the DoE was forced to call a meeting of CMC's customers, scheduled for early next month, to decide whether these companies should be given more opportunities to execute large government projects.

Indian companies now have expertise in diverse areas — design and implementation of management information systems, banking, insurance and financial applications, online transaction processing applications, expert systems, artificial intelligence, fifth generation languages and CAD/CAM. "However, the Indian experience has been mainly limited to personal computers and Unix (an operating system) while the international market demands mainframe expertise," says Nirmal Jain, vice-president of Tata Consultancy Services. The important question is: does India have the qualified manpower to execute larger overseas projects?

Conspicuous dearth

"Nobody has been able to assess how much manpower — and the mix of expertise — we need," says P.N. Vaidyanathan, business manager of Wipro Systems. That there is a reservoir of manpower which can be trained for programming is accepted. Similarly, there is a conspicuous dearth of project management staff and absence of application and development skills. Then there is always the bogey of losing programmers to overseas jobs, especially from among those who work abroad on projects. According to Harish Mehta, the rate of attrition among employees working abroad is about 10 per cent.

On the other hand, foreign software companies in India, such as Texas Instruments, look at the Indian industry differently. "Our parent company is excited about the manpower available in India," says Mike Watson, TI's managing director while clarifying that "there is a myth that Indian software engineers come cheap". Today, international companies find it cheaper to develop software in countries like China and Taiwan. "We may not compensate programmers very highly, but our investment for creating an equally good working environment in India is huge therefore our employee investment is much higher," Watson points out. In addition, companies like Hewlett Packard and Digital Equipment, unlike TI, do not restrict themselves in-house development they farm out jobs to other vendors also.

However, software exports is still vexed by the cost of marketing packages abroad (almost 80 per cent of a package's on-the-shelf cost), limited finance to operate in such a market and relatively low credibility. To overcome these problems, the DoE recommends that software houses abroad with well-known products that aren't selling be taken over. Identifying saleable products will solve most problems, according to DoE reasoning. But this is easier said than done. The crucial foreign exchange component has been ignored and companies like Softek and CMC have not been able to take over companies thus identified abroad. Credibility too is an important requirement. "A reputation for quality and a good image are essential," says a DoE official. Sadly, few companies have met the standards in these areas.

If India is to increase its paltry 0.5 per cent share in the world software market both the government and the industry must act fast. Merely setting ambitious targets without constructive dialogue and action will not achieve targets. ■

RAHUL SHARMA in D
with AROON SARKAR in Bom
and DEVAPRASAD PUROKAYASTHA
Bang

Chairman's Statement



Shri Hari Shankar Singhania

At the 51st Annual General Meeting.

I am happy to welcome you all to the 51st Annual General Meeting of your Company.

The Directors' Report and the audited Accounts of the Company for the year ended 31st March 1990 have been with you for some time and, with your permission, I shall take them as read.

CORPORATE RESULTS

It gives me great pleasure to report that during the year under review, the Company has achieved an all-time record performance, attaining new heights on every count. Profit before depreciation, at Rs. 18.55 crores, has risen by 98% and profit after tax at Rs. 7.94 crores by 111% as compared to last year, on annualised basis. Sales and other income at Rs. 175.97 crores show an increase of 41%. Your Directors have recommended 30% Equity Dividend for the year 1989-90 as against 30% for the 15 months period of 1988-89 (24% on annualised basis). Earlier for 8 years, the Company was consistently paying 20% Equity Dividend.

During the last decade, the Company has emerged from a Paper & Board manufacturer into a multi-product company. It now produces Paper & Board, Cement and Magnetic Tapes. We have ambitious plans for not only expanding the present capacities in our existing product lines but launching into new lines of production, which include Chemicals and Petrochemicals. A total investment of over Rs. 450 crores is planned in the next 3 to 4 years period.

We can look back with satisfaction to our commitment to quality and continuous improvement in productivity. Our policy of keeping the plants fully modernised and technically updated along with increasing production capacities has paid rich dividends. We can be proud of being market leaders in the matter of quality and in achieving high operational efficiencies. Importance given by the company to Human Resource Development and creating a good cadre of management has been the key factor responsible for success.

PAPER

With the addition of Paper Machine No. IV at **JK PAPER MILLS,** we have now an installed capacity of 60,000 tonnes per annum, which will be further augmented to 70,000 tonnes by increasing pulp and paper capacities in the next couple of years.

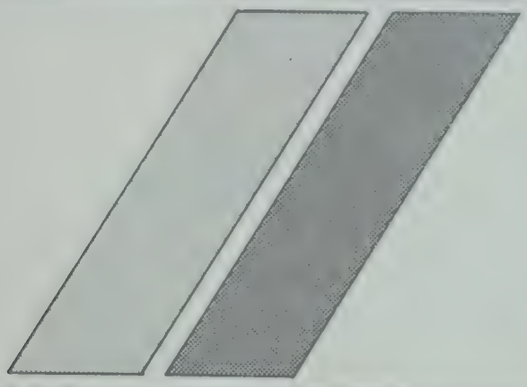
There has been a turn around in the Paper Industry which had witnessed a stagnation for nearly a decade since 1979-80. The most important issue before the Paper Industry is availability of adequate raw materials. Even today, the Industry has to depend upon imported pulp, wood and wastepaper to the extent of 15 to 20% of its requirement. It has been estimated by the Development Council for Paper, Pulp and Allied Industries that the Industry will be able to meet only about 75% of its raw materials from indigenous sources during 1990-91 and a mere 40% by the year 2015. A long term strategy designed to ensure adequate supplies of forest-based raw materials, bamboo and hard-wood is, therefore, of great national importance; otherwise the Industry will have to depend upon imports of raw materials to the extent of 60% which will mean heavy foreign exchange outgo, besides dependence upon foreign sources for raw material fo this essential commodity.

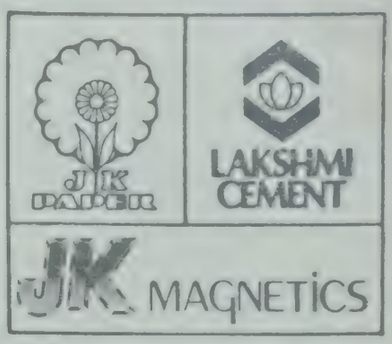
I would urge for an urgent review of the existing policy of not allowing captive plantations by the industry. Captive plantations will in no way go counter to the objective of increasing the green cover o the country because it would result in addition and not depletion of the fores resources. It has been estimated that with higher yields per hectare that are now possible with the clonal research, anything between 2 to 6 percent of the degraded forest lands would only be required to mee the entire demand of raw materials for pulp and paper industry by the year 2015.

CEMENT

Cement production at the **LAKSHM CEMENT** was an all-time high at 5.13 lac tonnes with capacity utilisation at 103% Lakshmi Cement has been enjoying consumer preference on account of its high quality. Further, modernisation and technological improvements carried out a the plant with technical consultancy from Blue Circle Industries p.l.c., U.K., have resulted in improved efficiencies and the installed capacity has increased to 6 lac tonnes per annum.

The Company has undertaken a majo expansion of Lakshmi Cement Plant, which will increase its capacity to 1.5 million tonnes per annum. This expansion is estimated to cost around Rs. 170 crores. I is proposed to finance this project by loans from Financial Institutions and issue o partly Convertible Debentures on rights basis to the existing shareholders or such other instruments as may be finalised in consultation with the Financial Institutions





STRAW PRODUCTS LTD.

During the terminal year of the 8th Plan (1994-95), demand for Cement is placed at 65 million tonnes requiring an installed capacity of 81.5 million tonnes with capacity utilisation of 80%. This calls for creation of new capacity of 25 million tonnes in the 8th Plan at an investment cost of the order of over Rs. 5000 crores. This can be achieved if Cement Industry is able to get a fair return. The assurance of a fair return for new investment resulted in unprecedented increase in Cement capacity during the last decade, whereas past experience has proved that imposition of unremunerative prices on industry either through statutory regulation or unofficial measures, leads to the drying up of new investment.

The administrated prices and other costs beyond the control of the Cement Industry such as electricity, coal, railway freight, petroleum products, wages etc. account for nearly 65 to 70% of the total cost of production of cement. The price of cement, is therefore, bound to be affected with sharp increase in these costs.

MAGNETIC TAPE

The **JK MAGNETICS'** Audio Magnetic Tape Plant commissioned in March 1989 has overcome the initial teething problems and stabilised production. The present production of Audio Tape is being sold in 'pancakes' mostly to music recording companies in the country. The quality of Audio Tape of JK Magnetics is rated as one of the best in the country and compares well with the leading international brands. Your Company is also planning to launch blank Audio Cassettes shortly in the market. Possibilities of exports are being explored and response from foreign buyers is encouraging. A balancing scheme is under implementation at the JK Magnetics to provide flexibility for production of Video Tape and increase the plant capacity.

ECONOMY

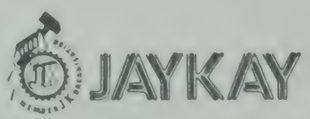
1989-90 has been a momentous year, not only for the world but for India as well. The new Government at the Centre has taken several steps towards deregulation. Private Sector has been allowed a greater role in certain areas like power and steel. The new Industrial Policy also is a step forward in the right direction. Unfortunately, however, the economy continues to remain highly regulated and controlled. More drastic reforms are urgently needed to free the economy to give fillip to the spirit of entrepreneurship and competition, so vitally necessary for rapid growth.

While we can be satisfied for what we have achieved on the economic front, if we compare this achievement with what others have been able to do in the world during the same period, then we would have to accept that we have lagged far behind. Even China's growth has been appreciably more than ours, leave aside some countries of South East Asia, who have done remarkably well. Then again, the speed at which changes are now taking place in different parts of the world are far more rapid than ours. We cannot be oblivious of the impact on our economy of the developments in Russia, Eastern Europe, Germany, EEC 1992 and other parts of the world. The world is witnessing a new globalisation process and if India is to be a part of it, which it should be, then we have to act with clarity and speed.

It is well known that our share in the total world trade is negligible and has been coming down. If we wish to increase our exports, we will have to make our industry truly competitive to be able to produce goods of international quality and at competitive costs. This again requires removal of existing constraints and controls and imparting a new impetus for growth. There is now a special urgency in view of the unfortunate events in the Gulf areas which are likely to pose even larger burdens on our balance of payments on account of the high costs associated with oil imports. Above all we need to ensure political and social stability and an atmosphere of amity among different sections of our people so that our energies can be used for constructive growth rather than dissipating them in destructive actions.

ACKNOWLEDGEMENTS

Before I conclude, I would like to express my sincere appreciation and thanks to the employees at all levels for their hard and dedicated work which has contributed to the Company's growth. I would also like to thank the Financial Institutions, Banks, State Governments, Shareholders, Distributors and Dealers for their continued co-operation and assistance.



Note: This does not purport to be a Report of the proceedings of the Annual General Meeting.

MUTUAL FUNDS

Shelter for investors needed

Abroad there are two forms of mutual funds organisations: trusts, and investment companies. Irrespective of the form of the organisation, however, there is a considerable degree of commonality of the various constituents of the funds, as also of their functions and regulatory requirements. When mutual funds are set up as trusts, the constituents are shareholders/investors to whom the fund actually belongs, sponsors/principal underwriters, fund managers, auditors and solicitors. When established as a corporation, the mutual fund is governed by a board of directors instead of a board of trustees. Thus the mutual funds are all externally managed; they do not have employees of their own.

When the Unit Trust of India (UTI), the first mutual fund, was set up in 1964, the government was of the opinion that this institution should be in the public sector and also combine the three functions of sponsor, trustee and fund manager in one body, ie, in the board of trustees. The next mutual funds came only more than two decades later, in 1987, when the State Bank of India (SBI) and Canara Bank set up their operations.

Huge successes

Seven mutual funds are now in operation in the country — all of them in the public sector. With the exception of the UTI established under a statute, and the LIC Mutual Fund (LICMF) by the LIC, all were set up by public sector banks. With assurances of lucrative returns and backed by an unstated but perceived guarantee regarding safety, liquidity and return on investment, the funds have succeeded in mobilising a large quantum of resources from the household and corporate sectors. In their first two years SBI Mutual Fund and Canbank Mutual Fund have not only met these assurances but even improved upon the minimum guarantee returns. Past performance, however, need not be considered a guide to the future.

During the year April 1989-March 1990, the mutual funds had mobilised around Rs.6,000 crore (UTI's share was Rs.4,000 crore) compared to Rs.5,800 crore of issues made by the non-government, public limited companies during the year. The mutual funds have clearly emerged as key intermediaries, important players in the securities market. This is the characteristic of collective investment schemes in other countries as well, though the operating environments are different. In a thinly traded and highly volatile market like ours, constrained by slow supply of fresh scrips and paucity of floating stocks, a few institutional players with large funds at their disposal can dominate the market to a much greater degree and even distort price formation unless they act or are compelled to act in a responsible manner. Besides, unrestrained fund raising by schemes without adequate supply of scrips can create severe imbalance in the market and exacerbate the distortions.

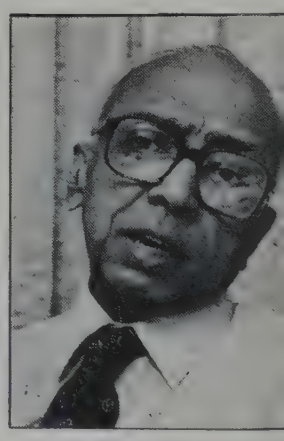
The Indian mutual funds are formed as trusts but there is little distinction between the sponsors, trustees and fund managers, so that the corporate identity of each is lost. In most cases, sponsors and trustees are the same institution. The trustees effectively play the role of fund managers though the trust deeds empower the trustees to appoint separate investment advisors. As under the Indian Trusts Act only trusts to do with immovable property are required to be registered, the mutual funds are not registered. Though minimum returns are assured, the letters of offer give scant details about the investment objectives, the manner in which they are to be met, liabilities, responsibilities of trustees and the risks involved in investing in the fund. The trust deeds and annual reports are also not widely available.

The policy to promote the growth of mutual funds in our country cannot itself be faulted. Indeed, they should be commended for providing the benefits of a diversified portfolio and expert management to a large pool of investors who have neither the time nor the expertise to manage their own portfolio. However, having been borrowed from countries with well developed capital markets, the way the concept has been allowed to develop in our country indicates that it has been adopted only in principle and that half-way houses have been built. As a result, certain fundamental deviations in the structure of the funds and in the inter-relationships among the constituents have crept in, raising questions about the basic characteristics of mutual funds and their long-term viability. The import of these must be clearly appr ated by the government as they impose the critical area of investor protection on the long-term health of the cap market.

The increase in the number of mut funds and multiplicity of schemes have creased competition. The fallout has b on the yield levels (which have stea risen from 12 to 12.5 per cent in 1986-8 around 14 per cent or more) and on adv tisements. Mutual funds now gain th competitive edge almost solely in guar teeing a higher minimum yield. So lon these yields are maintained, they ben the investors. The investors are also ha about the capital appreciation. All thi good so long as the going remains good case of bad weather, however, one wo need shelter and the issue is, how and will provide it.

Uniform regulations

Uniform coordinated regulation by a gle agency could provide this shelter to investors. This has been the lesson fr the developed market as well. There ha be a clarity of the regulatory framew governing the mutual funds and a cl demarcation between the role of const ents, such as settler, trustee and fu manager; the areas of conflicts and co monality of interests among the th agencies should be removed through lineation of duties and responsibilitie the trustees and fund managers; trust deeds and annual or half yearly repo would have to be made available to all investors in the fund; and greater d closures made in respect of the objecti of the fund. Investors have a right to kn and this right must be respected. The shot of all this would not, however, be t fools are protected but that genuine p ple are not made a fool of.



G.B. RAMAKRISHNA

The author is chairman, Securities and Exchange Board of India (SEBI)



COME HOME TO WARM INVITING

Find yourself warmly received.
A cup of your favourite tea while you lounge in the lobby.
A soft, white bathrobe. And personal toiletry.
Gourmet cuisine to choose from.
A good book to read in the Business Centre. And, that liqueur so thoughtfully tucked away in the mini-bar...
Little things like these make you feel you've come home.

Taj Bengal

A whole new experience

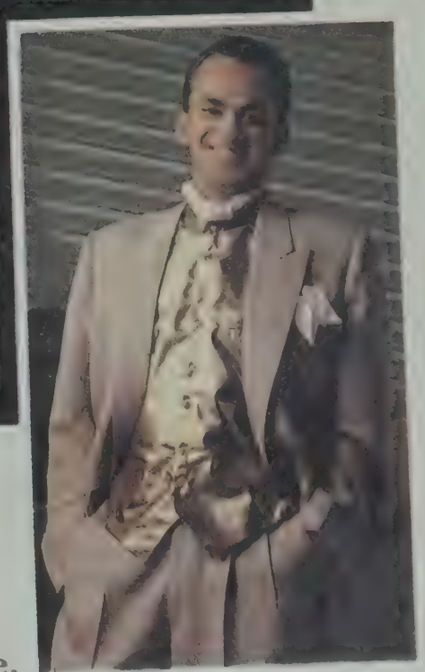
THE TAJ GROUP OF HOTELS

TSA-C/TB/2890

You don't have to be India's greatest rock sta
to be a Raymond's man.







Remo Fernandes, Goa's gift to ock, writes his own lyrics, mposes the music, plays, sings nd performs, wowing them from resden to Tokyo.

When he's not sending udiences into orbit, you may, on occasion, find him making the scene in a sparkling polyester / wool / silk combination aptly named "Silverene".

You don't have to be India's first rock personality to be a Raymond's man. For that matter, you don't even have to be a Raymond's man.

...but it helps.

Raymond's

Never say no to life.

By helping shield livestock from disease, we're giving breeders better yields and deals.

Poultry farming is a business fraught with risk. If the breeding areas are'nt thoroughly germ-free, the livestock get infected and perish en masse.. Then SM Dyechem successfully changed the picture by diminishing the risk. With import-substitute speciality formulations that go into hi-tech disinfectant shields.. **Critical involvement, core contributions.** We're intimately involved with several core industries offering new generation inputs, import-substitute chemicals... helping in their export drive. We've tied up with 4 of Europe's technology leaders. Acquired know-how that compresses gestation periods. Turned start-up projects into profit-centres in record time. In the process, we've doubled our profits each and every year. And become one of the most sought after scrips in the stock market. **A chain reaction of successes.** Achievement breeds its own ambition. From our pinnacle in the speciality chemicals market, we're taking off in diverse directions. Our vision of the near future encompasses projects to manufacture Methanol, Pig Iron, Carbon Black and a world-class Beer. **On the anvil is an agro-based Petrochemicals project. To each of these projects we'll bring our unique touch of Value Multiplication. Spread the benefits... and share the rewards.**





High-value addition for high profitability. High-tech inputs for high-growth areas.

- Animal Health Care
- Textiles
- Man-made Fibres
- Leather
- Detergents and Toiletries
- Pharmaceuticals
- Processed Foods
- Pesticides
- Fertilisers
- Oilfield chemicals

SM DYECHEM

SUCCESS THROUGH VALUE MULTIPLICATION

SM Dyechem Ltd. SM House, 11, Sahakar Road, Vile Parle (E), Bombay 400 057.

Adfactors/SMDL/227



At a speed of 65m/sec. In diameters

ranging from 5.5mm to 25mm. In wire rods.

In stainless and alloy steels.

Mukand does it.

Mukand's Speciality Steels Division

manufactures steel into 400 different grades.

In blooms, billets, bars, rounds and rods.

And in the widest range of sizes. To do

this, Mukand has India's largest electric arc

furnace complex. It produces over 3,00,000

tonnes of speciality steels a year.

Mukand is India's largest manufacturer

HOW TO MAKE STEEL TWIST AND SHOUT

CASTINGS · SPECIALITY STEELS · MACHIN



and exporter of stainless steels.

Mukand is also India's largest steel foundry in the private sector and leads in exports of alloy steel castings. Mukand designs and builds some of India's biggest, most complex cranes and machines; and undertakes execution of major turnkey engineering projects.

Making it a multi-product, multi-division, Rs. 500-crore conglomerate.

The commitment of Mukand's people to technology, innovation, research and development has given them a rare insight into steel and its applications. Mukand knows how to make steel, engineer it and use it effectively.

In 50 years, Mukand has truly become a mastermind in steel.

MUKAND LTD.
(Formerly Mukand Iron & Steel Works Ltd.)
L.B.S. Marg, Kurla, Bombay 400 070

MUKAND. MASTERMINDS IN STEEL

BUILDING ENGINEERING CONSTRUCTION

Rediffusion/M/90/2

It's not on birds alone that feathers look good.



Many a time, it takes simple logic to manufacture what is required.

The Indian weaving industry, by inducing hi-tech looms, started producing world-class fabrics to meet the discerning tastes of the Indian public.

And Indo Rama set up a state-of-the-art 25,344 spindles plant to meet the requirement of the sophisticated weaving looms which would not work except with top-quality, zero-error yarn.

Which explains why the electronically-cleared, spliced, knot-less and contamination-free synthetic blended yarns from Indo Rama have become the first choice of all major textile manufacturers and exporters in India. In just one year.

And why over 50 percent of the company's production is exported to premium Europe — Germany, France, Italy, the UK, Belgium, the Netherlands, and Switzerland.

And also why the company is already on its way to doubling its capacity with a 100% export oriented Cotton and Polyester/ Cotton yarn project.

We have earned our feathers. The birds will be eating their hearts out.

INDO RAMA
SYNTHETICS (I) LTD.

903, Mohan Dev Building,
13, Tolstoy Marg,
New Delhi 110001.

We / have / only / scratched / the / surface

R K SWAMY/IRS/5911

RATEGIES

A leap in the dark?

r an 'inward-looking' economy, India s spent a lot of time and words talking out the need to export more than it es. Even before the present Gulf crisis fected our balance of payments posi-n, the annual trade deficit had ex-nded to Rs.10,000 crore. Now, with the ospect of a grossly inflated oil import ll and the loss of trade with Iraq and uwait, there has been a fresh verbal ate on the "critical need to raise xports".

Some of these "words" might prove use-l. Says N.M. Dhuldhoya, managing direc-r, Polyolefins Industries Ltd and presi-nt of the Bombay Chamber of Com-erce and Industry, "The need to raise ex-orts has always been there. But discus-ons have invariably centered on macro sues. It is time industry asked itself a uestion that dealt with micro issues: Just hat has industry done to raise exports ven the existing environment?"

Part of the answer to the question in-olved the Bombay Chamber's decision to urvey the actual export performance of ght Indian companies — including Bri-nnia, Hindustan Lever, Ingersoll Rand, lafatlal Fine, Pond's and Telco — but ith a different emphasis. Says R. Gopala-rishnan, director of exports, Hindustan ever, who was involved in this survey, You see, everybody talks only in terms of overnment policies when exports are nentioned. We decided to see what the be-avioural reasons were behind the deci-ions of top managers to enter the export narkets. We wanted to say to companies: Hey! We know things are not exactly the way you want them to be. But given this et-up some guys have done it. Here's ow.'"

Daunting opportunity

All eight companies are known to be excel-ent exporters. And, with the exception of Mafatlal Fine, they make products that are non traditional Indian export items. Says MIT-trained Prakash G. Hebalkar, in-ernational business consultant who de-signed the survey, "The export market is a ough place to be in. For many Indian com-panies it is a daunting opportunity. They feel that making any export effort is like taking a leap in the dark. Our effort has been aimed at telling them it needn't be."

Indian companies will be told this at a seminar organised under the auspicies of the Bombay Chamber on 9 and 10 November, called, appropriately enough, "Strategies of Eight Excellent Corporate Exporters." The premise behind the seminar is simple: If top management from these companies talks of its experience, much could be thrown up that other companies could use in their formulation and implementation of export strategies.

How realistic is the premise though? Says Hebalkar, "It is true that most successful exporters are not aware of the reasons behind their success, at least in terms of being able to define their strategy. But there are common threads in the way in which they make plans and then implement them. If the common threads are sufficiently generic in nature, and we believe from our survey that they are, then they could be 'how-to lessons' for others."

This effort is interesting because it is the first attempt ever made in India to discuss actual corporate performance in terms of goal-driven efforts dictated by strategy. But if the experiences of such analyses in the United States and Europe are anything to go by, what this analysis throws up could either be actual strategy or what appears to be strategy but is only a concatenation of events, people and circumstances. In other words, 'strategy' can often be an artifact of the analysis itself.

Says Hebalkar, "Does it really matter if things happened because of circumstances or because there was a grand vision? It would, if we were interested in talking of the genesis of the strategy itself. But we are interested in strategy in terms of what was actually achieved and is being achieved."

Put in this perspective, the impetus becomes clear. The idea is to plug "real experience" into user friendly, how-to modules. And as long as that can be done, the causal factors of the reasons behind the thrusts that set the companies off become unimportant. Says Gopalakrishnan, "Organisational lessons need to be drawn. These need to be available so companies can screw up their courage and enter export markets."

But if the experience of these eight companies is to serve these purposes, the criteria for their selection becomes important. Says Dhuldhoya, "This short list is not an attempt at a ranking. We are not trying to do a 'Super List of Exporters'. We have used just one criterion: export excellence." But if this answer seems to lead back to the question, Hebalkar's comment throws more light. "This seminar is part of an on-going effort. We have planned this after our earlier behavioural survey conducted this year, whose report has just been completed."



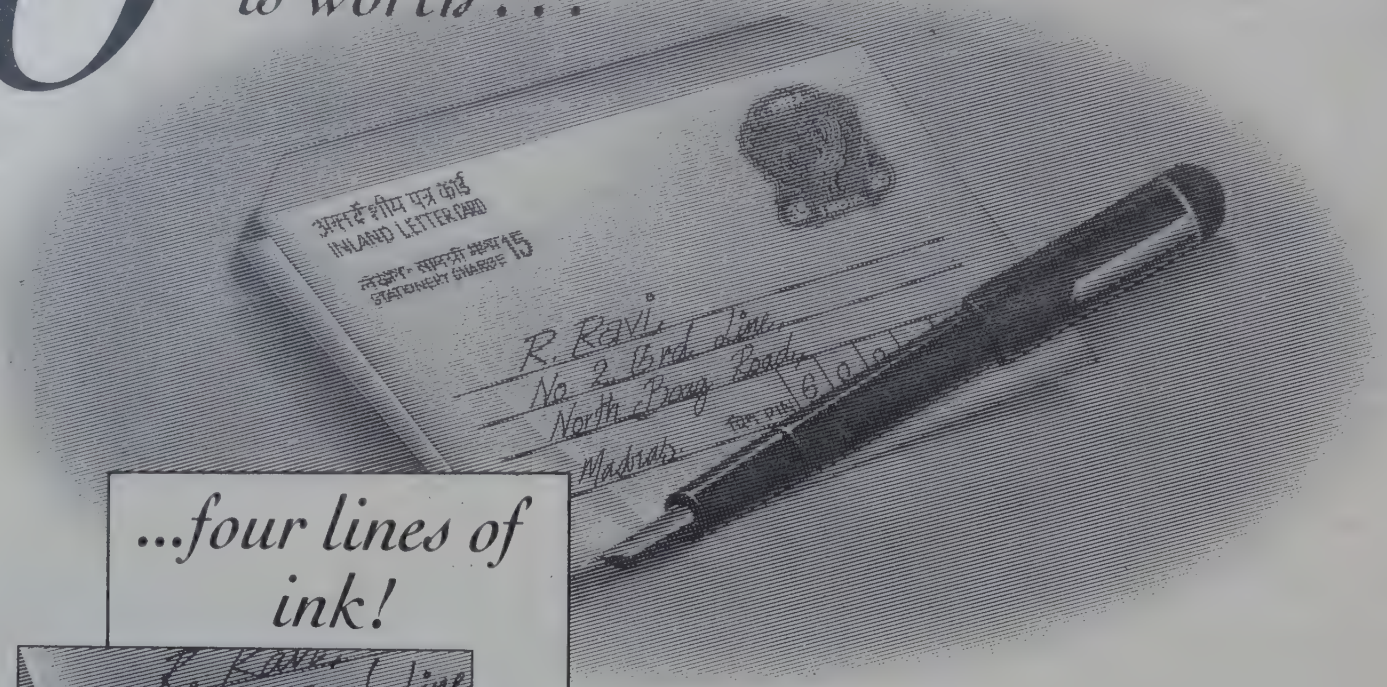
Hebalkar: export market, a tough place to be in

The Bombay Chamber started thinking about the strategic and organisational aspects of export efforts after a United Nations Development Programme seminar it co-sponsored early last year. Says Dhuldhoya, "The Chamber's exports sub-committee decided to commission a study on the motivational aspects governing export decisions. This was done by mailing out questionnaires to 1,100 companies both exporters and nonexporters."

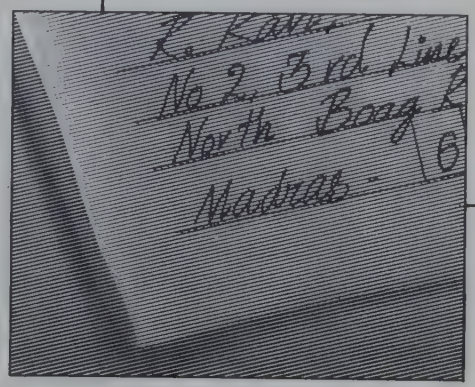
The decision to include nonexporters in the survey came from the desire to check out a hypothesis. Says Gopalakrishnan, "We felt there would be common attitudes running through the whole group, and it would be useful to know what these attitudes really are."

The survey was based on a conceptual framework that linked the attitudinal orientation of the companies to their performance. The logic of the concept was

One paisa is worth . . .



...four lines of ink!



Not many people realise the value of money. Today, people think one paisa can't get them anything. But, Dugar Investments Limited doesn't think so.

The Dugars have been in the finance business for over seven decades. From the time of indigenous banking, through the days of non-nationalised banks, till today when they run a professional finance company, headed by the Chairman ***Dr. C. Anna Rao****, and Managing Director* ***Sbri. N. Taracband Dugar****.*

The Capital and Reserves of Dugar Investments Limited is over ***Rs. 2 crores*** *and the total funds employed is over* ***Rs. 15 crores****. The company declared a dividend of* ***25%*** *for* ***five*** *consecutive years till 1988-89, and an interim dividend of* ***16%*** *was declared for 1989-90.*

Here your money is handled by professionals. Invested only in safe businesses like road transport and industrial machinery. Because, at Dugar Investments Limited, we know the value of every paisa.

We know the value of every paisa

DEPOSIT DRIVE MONTH

- *HIRE PURCHASE*
- *LEASING*
- *PROPERTY DEVELOPMENT*
- *PUBLIC DEPOSITS*

DUGAR
INVESTMENTS LIMITED

Earning your trust for over seven decades

REGD. OFFICE : 805 MOUNT ROAD (OPP. LIC BLDG.), MADRAS-600 002. PH:831888, 833444, 833222
BRANCHES: ANNANAGAR, T.NAGAR (MADRAS)

BANGALORE	: Ph:565444	DELHI	: Ph:269904, 266681	SALEM	: Ph: 68769
CALICUT	: Ph: 63344	GUDUR	: Ph: 330	SECUNDERABAD	: Ph: 846006
COCHIN	: Ph: 369515	NELLORE	: Ph: 7576	TIRUNELVELI	: Ph: 24599
COIMBATORE	: Ph: 37867	PONDICHERRY	: Ph: 26808	VIJAYAWADA	: Ph: 475668
				VISHAKHAPATNAM	: Ph: 696 26

TAKE WING/DIL/1

lows: corporate behaviour is expected to geared towards making profits. But, en a certain external environment, the haviour of different companies differs. nd this difference is caused as much by e beliefs and attitudes that top managers ve as by the quality of their decision-aking and their ability to get things done. In short, attitudes and beliefs explain rformance because they underlie the anner in which a company seeks opportunities, sets goals and then works to meet em. They also explain why a company oes not seek opportunities or why it does ot set appropriate goals.

The beliefs and attitudes the survey oked at ranged from subjective ones out how excellent exporters ere perceived to bottom line es about the profitability of xports. While all respondents escribed excellent exporters highly eulogistic terms, as any as half of them thought xports were not as profitable s domestic sales. In fact, 40 er cent of the respondents ought exports were not profable at all.

Fiftytwo per cent thought at while exports demanded uch greater effort, the benets that accrued were less than ose the domestic market enured. In much the same vein, 4 per cent believed an organsation could be an excellent xporter only if it had been uccessful in the domestic arket.

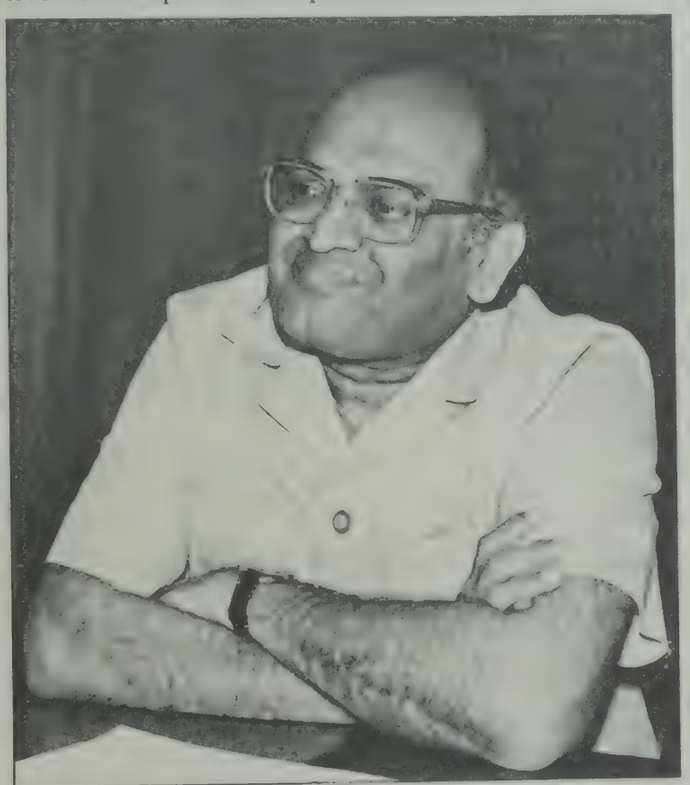
The survey also gave an interesting insight into the dide between private industry erceptions and the perceptions of the overnment sector. While the government ector, on the whole, felt that organisaions export to make more profits, only 15 er cent of private industries surveyed hought like-wise. Similarly, while all of he government sector included in the surey believed exports were profitable, 40 er cent of private industry disagreed.

Accidental decision

What really set the survey off from others hat have been done before was its close ook at the manner in which companies had decided to enter export markets. For example, 53 per cent of the exporters included in he survey said they had entered export narkets in response to chance enquiries rom prospective customers. The decision to export, for over half of the respondents, was thus accidental rather than planned.

There were other surprises about the decision making process too. Fewer than 40 per cent of the companies surveyed thought it necessary to evaluate market potential before setting export targets. Fewer than 40 per cent of top management was involved either in export-connected training and development or in taking decisions about exports.

There was no active market promotion or market development activity by most of the respondents. Neither did they have separate reward systems for export performance alone. Decision-making as it applied to exports was thus found to be unsystematic, frequently uninformed and haphazard.



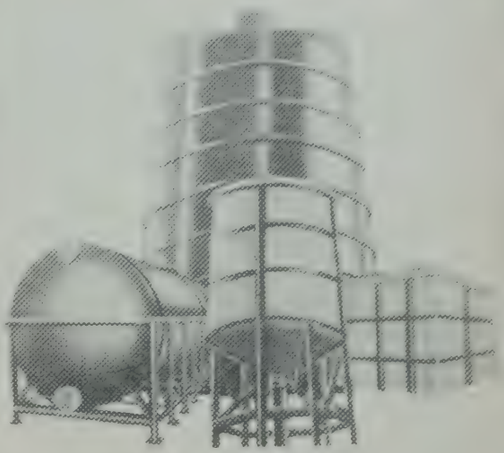
Dhuldhoya: it's time to deal with micro issues

The global conclusion of the survey seemed to be the consensus that India possesses the necessary skills to export, but lacks an export culture. In other words, India has an 'inward-looking' economy probably as much because of the attitudes of its managers as because of government policy.

If more Indian managers thought otherwise, things would probably change. That is what the efforts of the Bombay Chamber are aimed at. Words again, yes. But perhaps, words if aimed true, will be potent enough to make the difference between a comfortable balance of payments position and a long slide into the dark.

■ NAVAL B. GHIARA

Sintex Industrial Tanks



Tried, Tested & Trusted for over 15 years

Now the Sintex Industrial Tanks have been in service for more than 15 years. Withstanding the test of acids and chemicals. A performance that speaks volumes for the quality, reliability and utility that is assured with each Sintex Tank.

Moulded to seamless perfection from superior grades of polyethylene materials, they are light-in-weight, easy to install and totally maintenance free.

Available in different shapes and sizes of upto 25,000 litres capacity. The Sintex Industrial Tanks have today become the standards for the storage of chemicals and acids.

For Further information contact :

SINTER PLAST CONTAINERS

Plastic Division : **The Bharat Vijay Mills Ltd.**
KALOL (N. GUJARAT) 382 721
Phone (02764) 2228, 2274, 2352, 3144, 3145.
Gram : "SINTEX", Telex : 01205-202 SPC IN.
Fax : (02764) 2385

Bidhan/SPC/159/9



BUILT TO BRING YOU CLOSER TO THE HEART OF
BUSINESS-DOM OF EASTERN INDIA', NEXT ONLY TO CALCUTTA,

BHARTIA TOWERS

the multi-purpose building complex in CUTTACK

CUTTACK

the ancient city of India with Bhubaneswar, the capital city, very close by, is now the prime business centre of Eastern India, where you can find burried treasure.

BHARTIA TOWERS

the 'towers' with a difference, strategically located at Badambadi, the biggest bus terminus of Orissa, is designed to meet the requirements of such large establishments as banks, chambers and offices as also shops and showrooms.

Complete with

central telephone exchange, express lift, shopping arcade, terrace restaurant, health club, stand by power generation and skating rink.

for details contact

BHARTIA TOWERS

Badambadi, Cuttack, Orissa
Phones:[0671]31746,24840

)UND STERLING

The ERM implications

onths of speculation regarding the und sterling's imminent entry into the change Rate Mechanism (ERM) of the ropean Monetary System (EMS) finally me to an end last week with the Chancelr of the Exchequer, John Major, anuncing ERM entry on 8 October. Coming it did in the wake of the market becomg increasingly despondent over the ospects of an early ERM entry, the anuncement took the market by surprise. is was despite the fact that the spectre stagflation looming large over the Britn economy had made some immediate rrective measures imperative. One aits to see whether the terms of entry - a ntral rate of Deutschmark (DM) 2.95 d a 6 per cent margin for fluctuation ong with a cut in UK interest rates from per cent to 14 per cent — will succeed in oviding the necessary fillip to put the itish economy back on the rails.

For the government to make a success of ERM membership, the exchange rate on entry is a crucial factor. A high rate is imperative if the ERM is to help Britain lower its inflation rate

Britain has been plagued by continued rength in domestic demand and a stuborn upward creep of underlying inflaon. In this scenario, appreciation of the ound is a key element of the governent's strategy for reducing inflation. rofits of companies engaged in internaonal trade would be severely squeezed if ey attempted to raise prices faster than eir European competitors. To stay in the ace, they would either have to stand out gainst inflationary pay claims, or offset em by increases in productivity.

everage device

further rise in interest rates could possily have brought about the necessary apreciation of the pound. However, this ould well have been greeted with a fresh out of populist hysteria, as well as proved isastrous in the face of clear indications of recession. With the interest rate weapon effectively out of action, the Treasury and Bank of England have needed, above all, some other way of levering up the sterling. The prospect of an ERM entry provides such a device.

For the government to make a success of ERM membership, the exchange rate on entry is a crucial factor. A high rate is imperative if the ERM is to help Britain lower its inflation rate. The counter-inflationary benefits for the UK could be postponed for a long time and the whole venture discredited, if the sterling entered at a rate well below its purchasing power parity with the Deutschmark — which most analysts put at well above DM 3, on the basis of traded products. The rate on entry announced by Major, DM 2.95, while being lower than the 3 figure, should still be high enough to serve the required purpose. Also, the 6 per cent margin allows the sterling a ceiling of DM 3.127. Speculative buying of the pound, immediately after the ERM announcement, has already buoyed the sterling well above DM 3.

The 6 per cent margin at which Major has chosen to take the sterling into the ERM, as against the other option of a narrow 2.25 per cent margin, will allow extra initial flexibility, and interest rates to be kept higher than ERM would otherwise allow. A broad band, however, has two drawbacks. Firstly, the broader the band, the less cost controlling discipline the ERM exerts. Secondly, the premise of the ERM is that exchange rate variability is bad in itself.

Skewed range

However, analysts indicate that a 6 per cent margin would not generate an effective band of 12 per cent, as on first sight it should. The range would, in fact, probably be skewed upwards above the entry rate; the explanation being that there is a parity grid not only against the Deutschmark, but against every other member currency. At present, the room for manoeuvre for the sterling is determined by the French franc and the Spanish peseta. Spain being the only other country in the ERM with a 6 per cent margin, Britain would be asking for the same concessionary terms as Spain, thus creating a mechanical link between the fortunes of the two currencies.

Another aspect of ERM entry is the likelihood of Britons finding it hard to resist the lure of a low interest loan in a currency like the mark, once their own volatile currency is harnessed to the ERM. This happened in Italy, another high interest rate ERM country, in 1987, as Italian companies went in for foreign borrowings and invested the proceeds in high yielding Italian securities. It is possible that the potential for cross-border flows of this kind would be so destabilizing as to force a common currency for the European Community sooner rather than later.

A broad band has two drawbacks: the broader the band, the less cost controlling discipline the ERM exerts, and the premise is that exchange rate variability is bad in itself

On the local front, sterling-rupee parity was utilised to slowly bring the rupee downward. As the pound appreciated against the dollar in the overseas market (from 1.68 dollars per pound in June to current levels of 1.97 dollars per pound), the sterling-rupee parity was lowered. This prevented the dollar from weakening against the rupee locally. On the other hand, a falling or a relatively stable pound overseas (which emerged sporadically as doubts on ERM entry came to the fore) saw no change in parity: this caused the rupee to depreciate locally — in line with dollar weakness abroad. Dollar rupee levels in June were Rs.17.39 per dollar to current levels of Rs.18.10 per dollar.

Rupee remains weak

Over the short term, market players expect a surge in sterling levels overseas. This will, of course, translate into a much stronger pound rupee rate locally. It has already crossed Rs.35.50 and if current dollar rupee levels are maintained, the Rs.36 barrier seems easily surmountable. Assuming that the devaluation policy continues to be implemented, the rupee should also remain weak against the dollar: a level of Rs 18.50 per dollar by the year-end does not seem unlikely.

■ SANDIP SEN

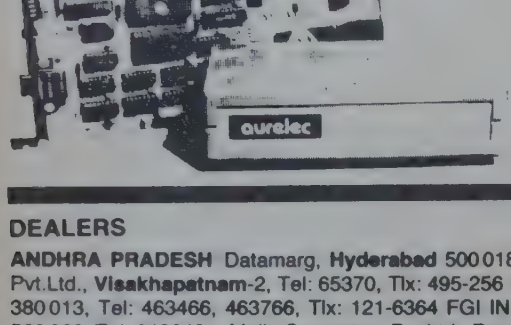
The author works for the foreign exchange group of Citibank. The views expressed by him are not necessarily those of the company he works for

The most cost-effective computerised Telex

Rs.6,999*

Aurelec PC-TELEX offers the following:

- Delayed transmission: sends telexes when rates are lowest
- Automatic telex reception and transmission while using the computer normally
- Clear error-free telex messages even on bad lines



Save money from day one. Aurelec PC-TELEX costs only

- Sophisticated text-editor
- Telex abbreviator to save more money
- Keeps track of telex messages
- Fits snugly inside your PC compatible computer
- Does not waste a serial port on your computer
- Multi-user telex-server for **SUPERLAN**
- Unconditional 30 days money back guarantee
- Fully tested and approved by TRC
- 1 year warranty

Aurelec: Quietly building the best

* Price is inclusive of excise duty, sales tax and tr charges. Price does not include octroi, installati training.

aurelec
data processing syst

Telex: 0469 272 ADPS IN
Prayogashala - Auroville
KOTTAKUPPAM 605 104 Tam

DEALERS

ANDHRA PRADESH Datamarg, **Hyderabad** 500 018, Tel: 820328 • Narayana Electronics & Communication, **Hyderabad** 500 018, Tel: 262517, Tlx: 425-6058 PACH IN • Maijo Cor Pvt.Ltd., **Visakhapatnam**-2, Tel: 65370, Tlx: 495-256 • **GUJARAT** Interlink Electronics Pvt.Ltd., **Baroda** 390 016, Tel: 324214, 327439, Tlx: 175-665 LINK IN • Kirti Sales Pvt. Ltd., **Ahm** 380 013, Tel: 463466, 463766, Tlx: 121-6364 FGI IN • **KARNATAKA** Computer Services of India, 469, West of Chord Road, Mahalaxmipuram, **Bangalore** 560 086 • Datamarg, **Ban** 560 069, Tel: 642642 • Maijo Computers Pvt.Ltd., **Bangalore** 560 001, Tel: 573598 • Kamalakshi Electronics, **Mangalore** 575 008 D.K., Tel: 26298 P.P., Tlx: 832-235 MAUR IN • Sowraj Co Services, **Mangalore** 575 002, Tel: 8601, Tlx: 832-306 LINK IN • **KERALA** Maijo Computers Pvt.Ltd., **Cochin** 682 005, Tel: 24969, Tlx: 885-380 • **MADHYA PRADESH** Systems & S **Indore** 452 001, Tel: 23093 • **MAHARASHTRA** Infotech Automations, **Bombay** 400 002, Tel: 311963, 312226, Tlx: 11-4514 LAKH IN • Kamalakshi Electronics, **Bombay** 400 063, Tel: 67 Tlx: 11-5065 GEAR IN • Narayana Electronics & Communications Ltd., **Bombay** 400 093, Tel: 6327127, 6340939, Tlx: 11-79147 PACK IN • Tangerine, **Bombay** 400 021, Tel: 2873651, 3758 SUDH IN • Tele Electronics, **Bombay** 400 001, Tel. 2872295, 2872334, Tlx: 11-5726 AMSL IN • Creative Business Techniques, **Nagpur** 440 010, Tel: 25327, Tlx: 715-521 CBTS IN • Infotech, **Pune** 411 037, Tel: 653425, Tlx: 145-203 KANT IN • **NEW DELHI** Aristo Computers, **New Delhi** 110 008, Tel: 5712869, 5711356, Tlx: 31-66981 ASTO IN • Computer Alley, **Ne** 110 002, Tel: 271964, Tlx: 31-63305 BANS IN • Computer Land, UG-18, 5, Bhikaji Cama Place, **New Delhi** 110 066, Tlx: 31-72415 LAND IN • Guard Electronics Pvt. Ltd., **New Delhi** 110 6461198, 6415971, Tlx: 31-71036 FNS IN • Modi Peripherals Pvt. Ltd., **New Delhi** 110 019, Tel: 6431016, 6461229 • Narayana Electronics & Communication, **New Delhi** 110 019 Tel: 643 **PUNJAB** Inde Associates, **Ludhiana** 141 001, Tel: 33138, 37031, Tlx: 31-62126 INDE IN • **TAMIL NADU** Datamarg, **Madras** 600 018, Tel: 457012 • Maijo Computers Pvt. Ltd., **Madras** 6 Tel: 442512, Tlx: 41-8211 MAJO IN • Maijo Computers Pvt. Ltd., **Trichy** 620 002, Tel: 26740 • **UTTAR PRADESH** Ocean Data, **Dehra Dun** 248 001, Tel: 23188, Tlx: 585-316 TLWR IN • Ov Trade Network, **Noida** 201 301, Tel: 20251 • **WEST BENGAL** Maijo Computers Pvt. Ltd., **Calcutta** 700 027, Tel: 454012, Tlx: 21-4064 LGXP IN • Ontrack Systems Pvt.Ltd., **Calcutta** 700 0 411797

Dealer enquiries for the following cities are requested : BHOPAL • COIMBATORE • JAIPUR • KANPUR • LUCKNOW • MADURAI • P

IIM INDIAN INSTITUTE OF MANAGEMENT LUCKNOW

announces the winter schedule of Executive Development Programmes as follows :-

	Programme	Date	Venue	Programme Director(s)
1.	Marketing in the Contemporary Environment	Dec. 17 - 21 1990	Hotel Taj Mahal Man Singh Road New Delhi	Prof. Prem C. Purwar
2.	Inter-personal Relations and Team Building	Jan. 21 - 25 1991	Hotel Holiday Inn New Delhi	Prof. Satish K. Kalra & Prof. Rajen K. Gupta
3.	Total Quality Management	Jan.28-Feb.1, 1991	Hotel Holiday Inn New Delhi	Prof. S. Chakraborty
4.	Marketing of Services	Feb.11 - 15 1991	Hotel Clarks Avadh Lucknow	Prof. M.Jha

* Programmes 1,2 & 3 are **Non-Residential. FEES** for each one of them: Rs.4,000.00 per participant inclusive of tuition, course materials, lunch, refreshments etc.
FEES for programme No.4 : **Residential** - Rs.5,000.00 per participant inclusive of full board, tuition, course materials etc. **Non-Residential :** Rs.3,000.00 per participant with provisions as in the other three programmes.
* Company sponsorship is essential.
* For brochures, nomination forms and any other particulars, please contact :

The Programme Office (EDP), Indian Institute of Management,
Sector 'I', Aliganj Extension, Lucknow - 226 020 (U.P)
Phone : 73528, 73033 Telex : 0535-226 IIML-IN

'akeovers, relaunches...

e news gathering industry in India has n some dramatic changes in recent es — new launches, resounding fail-s, takeovers, successes and what-have-. Almost all publishing houses have dergone transformations in some form he other. And recently the *Indian Ex-ss* and *The Times of India*, the two lead-newspaper groups in the country, too e got into the act.

Normally associated with political cru-les of one sort or the other, the Express up hit the news last fortnight for an irely different reason — a busi-s deal that took the publishing rld by surprise. Outmanoeuvring least two other business houses, luding Vijay Mallya's United eweries, the group acquired full ntrol of Sterling Newspapers Pvt l. A joint stock-holding company rtially controlled by founder edi-Minhaz Merchant, Sterling, at its ak, brought out five magazines, in-ding *Gentleman*, *GFQ* and *Tech-crat*. All these magazines have en floundering for a while now.

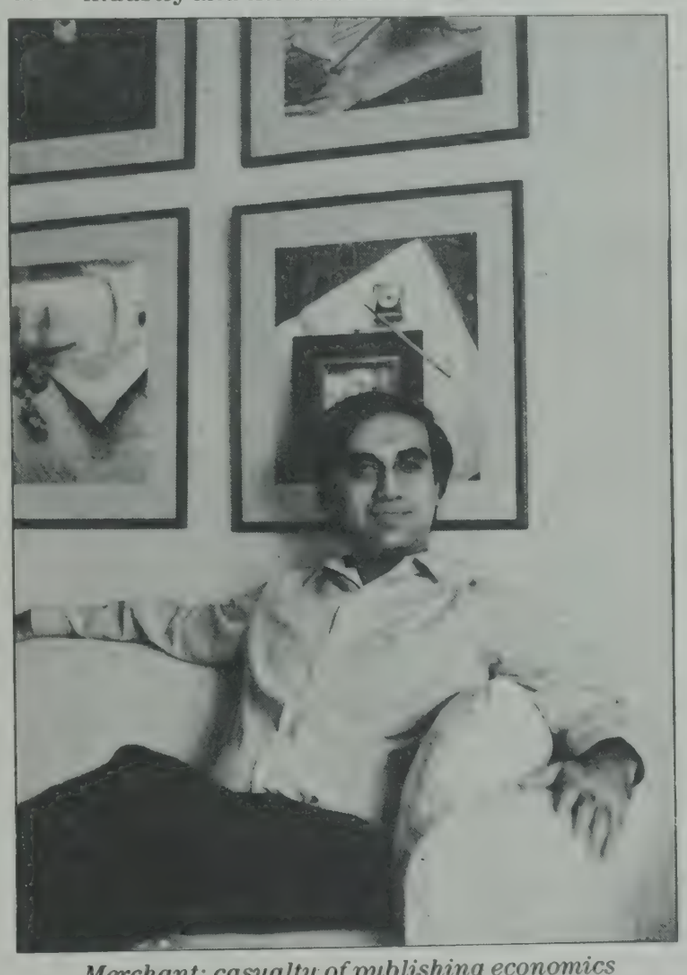
Both parties are tightlipped about e precise amount involved in the al, volunteering only that "it was y attractive". The word, though, is at the Express group shelled out mewhere between Rs.1 and 2 crore the staff and titles of the five Ster-g publications. Also, Sterling's of-es located in Delhi, Bombay, lcutta, Madras and Ahmedabad ve changed hands.

Merchant, who bows out of editor-ip and control of the group but will ntinue as advisor, says, "The eco-mics of publishing, especially after e massive newsprint hike in the 89 budget, has put pressure even the larger publishing houses. It was in e interest of the survival of Sterling wspapers to sell it when we did."

With widespread scepticism about the ture of *Gentleman*, Sterling's main of-ring, many are questioning the wisdom the Express' move. In recent years, the agazine has gone largely unnoticed on e highly competitive newsstands.

This does not seem to faze Maneck avar, former editor of *Lex et Juris*, a law agazine and now publisher and editor of e Sterling group. He says, "I am confi-nt that we will be able to relaunch both *TV & Video World* and *Business Computer* by December 1990. *Gentleman* will follow a month or so later. My first task is to rebuild the editorial team since most of the staff has left. The products were specialised, well-targeted and high profile. Now, with the marketing and circulation strengths of the giant Express group, we will have the right mix — specialised editorial content and independence."

Technocrat and *GFQ* — the first focussed on technological developments in industry and the other on the Indian male



Merchant: casualty of publishing economics

— are also likely to be revived by the new owners. While Davar is confident that both, if targeted sharply on relaunch, will do well, observers would rather reserve judgement till the products come out on the stands. As a senior advertising representative, who requested anonymity, says, "After all, they have been irregular with publication. This can tend to put off reader. The question is, will they get adequate talent to write for them?"

In the meanwhile, *The Times of India* (TOI) group, the largest publishing house in India, has made strong efforts to upgrade and broadbase its existing broadsheet publications. "It is a consolidation of our inherent strengths," says Pradeep Guha, director, response, of the group. "After we reached 150 years, we took a policy decision to increase the brand properties of each of our products."

Last year, TOI launched *The Independent*, an upmarket daily. This paper, however, has been slow in expanding its readership. In the meanwhile, the group's financial paper, *Economic Times*, changed over to a distinctive pink paper and has several new sections and more pages. The ET, as it is popularly known, now plans to re-launch its special Sunday edition towards the end of the month. And most recently, the mainstay of the group — *The Times of India* — gave its readers a *Sunday Times of India*.

Also in the offing is the conversion of the nation's oldest news and features magazine, the *The Illustrated Weekly of India* into a broadcast weekend publication. Guha and Pritish Nandy, the high profile editor of the *Weekly*, editor-in-chief of *The Independent* and director, publishing, of the TOI group, are evasive about the date of the relaunch. However, it is said that designers at Boribunder have already begun working on the concept.

For Nandy, the change is being made not out of choice but from compulsion. The *Weekly* is printed on 50-year-old machines that give excellent quality but little speed. The new look *Weekly* will be re-launched as a weekend publication and is expected to hit the stands soon. With more in-depth features, it is expected to have a longer shelf life than the existing Sunday papers. "Unlike the last few years, which saw the magazine boom, I see the broadsheet business surging ahead for a few years now," says Nandy. "This is why all the newspapers are attempting to look brighter, spunkier, more exciting."

It is clear that both *The Times* and the *Express* are pitching for a wider readership through their recent manoeuvres. As the overall market expands, though, there should be room enough for both. But, who will be leader will depend on each group's grasp of reader's needs. As Nandy puts it, "To keep ahead in the marketplace we must upgrade and change and make ourselves more technologically compatible with the times."

■ TEESTA SETALVAD

SAKTHI SUGARS LIMITED

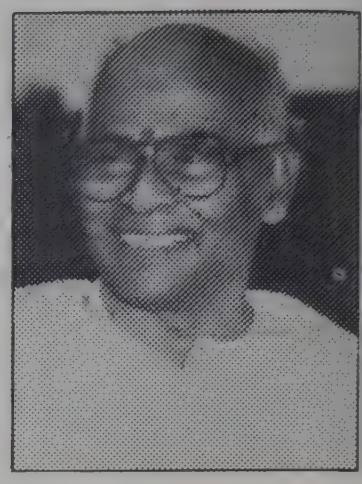
EXCERPTS FROM THE SPEECH OF

DR.N.MAHALINGAM

CHAIRMAN

AT THE 29TH ANNUAL GENERAL MEETING

HELD ON 26.9.1990.



NEW POLITICAL SCENARIO

The political situation has undergone a metamorphic change with the General Elections last year. The National Front Government under the leadership of Prime Minister Mr.V.P.Singh has adopted a liberalised industrial policy even with high priority for strengthening the agricultural sector and improving the standard of living of the rural population. The fiscal policies are being suitably reoriented for boosting exports and promoting industrial development. The changes in direct taxes also have been helpfully conceived as the tax on widely held companies has been reduced to 40% from 50%. The minimum book profits tax has also been abolished.

GROWING STATURE OF SUGAR INDUSTRY

It is very heartening to note that the sugar industry has acquitted itself creditably. The performance in the 1989-90 season particularly will stand out as a major landmark in the history of the industry by raising the output to 111 lakh tonnes against the earlier output of 87.50 lakh tonnes in 1988-89. This has enabled the industry to meet the needs of rising internal consumption and also effect additions to stocks by 7 lakh tonnes to around 20 lakh tonnes. The saving in foreign exchange through the complete elimination of imports is thus sizable.

FUTURE OUTLOOK

The outlook for 1990-91 can be viewed with cautious optimism. Both factories are assured of adequate cane supplies and the aggregate crush will be about 11 lakh tonnes. However, the profitability depends on the selling prices of levy and free sugar.

NEED FOR HELPFUL POLICIES

In this context I have to draw the attention of the authorities in the Centre and States to the need for a proper relationship between the rising costs of cane and conversion charges on the one hand and selling prices for levy and free sale sugar on the other. Because of the upsurge in production in the current season, large releases of levy and free sale quotas have been made, causing open market prices to dip to uneconomic levels. This is not in the long term interest of the industry. In several states, payments to cane growers are in arrears. If these cannot be cleared in a short period, the prospects for the 1990-91 season will be prejudiciously affected. I, therefore, appeal to the Central and State Governments to recognise the importance of formulating a pragmatic policy for the next season.

ACKNOWLEDGEMENT

I wish to express my gratitude to the Central and State Governments, for their help and support in our continuous growth. Our sincere thanks are also due to the financial institutions, viz. IFCI, ICICI, IDBI, IRBI and SIPCOT as well as IREDA for providing ready financial assistance for various projects. I also would like to record my appreciation of the help rendered and confidence reposed by the bankers, viz. Canara Bank, Punjab National Bank, Karur Vysya Bank, Indian Overseas Bank and Standard Chartered Bank under very strenuous circumstances. I would like to convey my wholehearted appreciation of the continued co-operation of the Board of Directors, the loyalty and support of the cane growers and the encouragement given by the shareholders. I also wish to place on record the dedicated work of the employees of the Company but for which we could not have achieved the results reported herein. Thank you

SAKTHI SUGARS LIMITED
WORKING RESULTS

	Year ended 31.3.1990	Year ended 31.3.1989 (18 months)
Cane crushed - lakh tonnes	11.22	9.39
Recovery - percentage	9.66	10.28
Alcohol output - lakh litres	113.33	137.01
Iron castings produced - tonnes	1354.00	2093.00
	Rs. in lakhs	
Turnover	8762.84	5087.15
Cash profit	1027.65	1116.46
Depreciation	377.09	249.08
Investment Allowance Reserve	38.00	267.01
NET PROFIT	612.56	600.37
Taxation	81.00	133.00
Equity Dividend	20%	30%
Retained Profits	390.03	356.60
Paid up Capital - Preference	137.27	137.27
- Equity	611.57	611.57
Revenue Reserves	1087.12	828.12

I am happy to note that the sugar mills in the private, co-operative and public sectors in Tamilnadu have been doing a commendable job and the State is the third largest producer in India after Uttar Pradesh and Maharashtra.

CREDITABLE PERFORMANCE IN 1989-90

As regards the performance of your Company in the 12 months ended 31st March 1990, I am proud to say that the new sugar mill with a capacity of 2500 tonnes per day near Sivaganga in Tamilnadu has been functioning efficiently in the current season after some initial teething troubles. However, the profitability was affected on account of a steep rise in the cost of cane purchases and the realisation of lower selling prices for free sugar in the latter half of the accounting period.

NEW PROJECTS IN ORISSA

The erection of the third sugar mill in Dhenkanal district in Orissa will be completed in time for crushing operations for the 1992-93 season followed by a distillery which will be ready for operation in the following season. The outlay on both the sugar mill and distillery is estimated at Rs. 40 crores.

N. MAHALINGAM
CHAIRMAN

Note: This does not purport to be the proceedings of the Annual General Meeting.

LO WORKSHOP

For, by and of women

he fact that women have been bypassed y development processes despite the im-ortant role they play in the economic and ocial development of their countries has een globally recognised. This was the ain focus of a workshop on self employ-ent for rural women, held recently by the nternational Labour Organisation in elhi. Besides India, countries like akistan, Bangladesh, Nepal and Egypt lso participated.

ILO's self-employment scheme for rural omen was initiated in 1975 under the ural Employment Policies Branch of its orld Employment Programme. Initially, is programme was only involved in re-earch into and evaluation of women-ori-nted programmes in various countries. ut in the eighties its focus was narrowed own to rural women in particular.

This target segment includes the most arginalised of women who are mainly andless or near-landless agricultural age labourers and plantation workers. lso included are women from specific so-ially or occupationally disadvantaged roups like the Santhals in West Bengal or he schedule caste Chamars in Punjab. he households headed by women and ome-based piece rate workers were ound to be particularly vulnerable to xploitation.

pecially designed plans

he ILO has designed employment gener-tion plans specifically for these rural wo-en. The scheme is aimed at making them elf-sufficient. Those who are a part of the ome-based workers pool are being sup-orted in their activities.

One of the projects initiated by ILO is he Bankura project in West Bengal. Im-lemented by the Centre for Women's De-velopment Studies, (CWDS) Delhi, in 1981, this project was for the tribal San-hal women. The women were organised nto *samitis* in order to collectively de-mand for employment. One *samiti* re-ceived a contract from the local forest co-operative for the collection of *tendu* leaves (used to make beedies) and seeds of the *sal* trees. This generated employment for around 200 women. Another such *samiti* took up making traditional *sal* leaf plates on small machines.

The most successful project, however, was the development of a 250-acre waste-land donated by local farmers, to the Bhurkura *samiti* to plant *asan* and *arjun* trees on which *tasar* silk worms were reared. Their land is currently valued at Rs.50 lakh and yields a gross income of about Rs.7,000 per hectare from the harvest of *tasar* cocoons. Thus, between 1981 and 1988 the *samitis* generated about 429 work days per month of direct employment.



Women workers: towards self-sufficiency

In the Tajpur village project, in the Jalandhar district of Punjab, *Mahila Mandals* were revitalised. The target women were mostly scheduled caste leather workers and the project focussed on upgrading their skills in the production of leather goods. Raw material procurement, marketing support and credit facilities were arranged.

In Jaunpur, eastern UP, households headed by women — the men had migrated to Varanasi to seek work as rickshaw pullers — formed their own organisation with assistance from the ILO. Activities ranging from goat and pig rearing to rope, snack and cereal making were developed and over a thousand women were assisted directly or indirectly. Training, mobilisation of collective and individual savings and a revolving fund for credit were initiated. Loans from government agencies and NGO's were provided.

The most innovative part of the programme was the introduction of technology to reduce drudgery. This included innovations like ball bearing grain grinders, smokeless *chulhas* (stoves), and water pumps.

In Madhya Pradesh, Gujarat and UP, the ILO and Self Employed Women's Association (SEWA) co-ordinated a participatory study for home-based piece rate workers. *Beedi* workers from Indore, garment workers from Ahmedabad and *zari* workers from Lucknow were identified for the study.

As a direct result of the study, piece rates were increased for *beedi* and garment workers and the latter were included in the schedule of the Minimum Wages Act. The most important development, however, was the recognition that home-based workers have since received, both nationally and internationally.

It was in the context of these projects that the workshop for rural women was organised by ILO last month. The participants discussed the scope of participatory development — where women not only receive benefits, but are involved in the actual planning and implementation — bearing in mind the "backwardness" of the target population and bureaucratic limitations.

ILO's suggestions

The participants re-emphasised the importance of political struggle and lobbying at national and international levels in bringing about changes in policies related to self-employment of women. Among the ideas discussed were protective policies for self-employed women (including home-based workers and non-paid family workers); provisions for old age, occupational health hazards and invalidity for all categories of self-employed women workers; and their freedom to join or form trade unions and employees' associations.

It was decided that a demand would be made for a review of all legislation relating to labour, inheritance and ownership legislation, personal and family laws which impact on women's self-employment opportunities. It was further suggested that space be provided for registered street vendors and minimum contractual rates be ascertained for piece-rate workers. Also, it was said that markets must be identified for all self-employed women besides making skill development and credit-saving schemes available to them. ■

TINA GILL

DRILLING holes for geological prospecting to a depth of up to 3,000 m, both vertical and inclined, in rocks of any drillability index

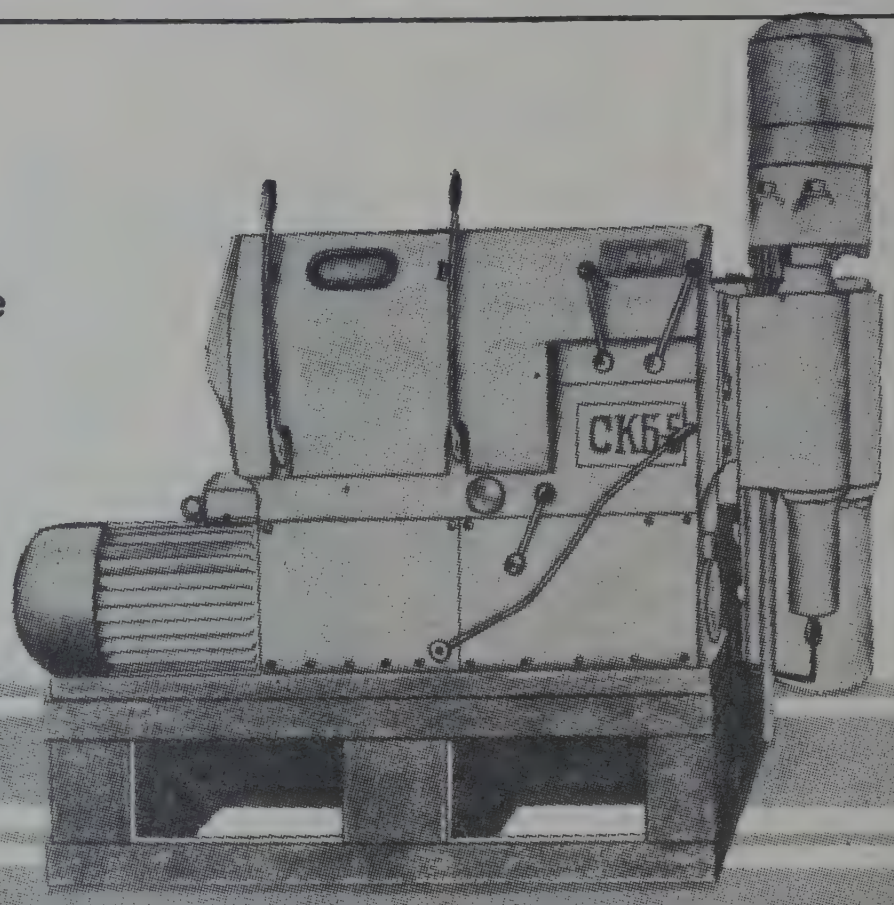
WILL NOT BE A PROBLEM, IF YOU HAVE

DRILLING RIGS

SKB-5, SKB-7 and SKB-8.

Drilling rigs of this class are characterized by:

- a wide range of rotational speeds of the spindle and rotary table;
- unitized construction of drilling rigs' units;
- realiability and safety in operation.



The addition, the SKB-5, SKB-7 and SKB-8 drilling rigs are equipped with modern instrumentation that makes it possible to control drilling parameters.

sokhem™

For more information, please apply to:

V/O CHIMMASHEXPORT
25 Bezbozhny Per., 129869 Moscow, USSR.
Telephone: 288-36-90 Telex: 411032 SOKEM

Harvard Business Review

with

Business India

The Boundaries of Business

The Harvard Business Review in association with Business India invites you to join your peers from more than 25 countries to help shape business agenda for the 1990s. For the first time, executives throughout the world have the opportunity to express and compare their views on the fundamental relationships of business today.

All signs indicate that business is becoming more complex than it has ever been. Economies are globalizing. Customers are demanding ever higher quality. Computers are making information widely available to workers, not only to managers. Women are entering the work force in unprecedented numbers. Environmental crises are calling into question basic business practices.

These and other developments are transforming relationships between managers and workers, between companies and their customers, suppliers, and competitors; between business and the countries in which they operate. Throughout the world, managers are asking: "What can my business expect of its constituencies?" "What does it owe in return?"

"The Boundaries of Business" survey inaugurates a worldwide dialogue about these issues. Results will be reported in the *Harvard Business Review* and participating magazines early next year. Thank you for joining us in this important event.

Magazines participating in the Harvard Business Review World Leadership Survey

MERCADO, Argentina
BUSINESS REVIEW WEEKLY, Australia
AUSTRIAN MANAGEMENT CLUB (Vienna), Austria
TRENDS, Belgium
EXAME, Brazil
TALOUSELAMA, Finland
L'EXPANSION & L'ENTREPRISE, France
FIGYELO (Budapest), Hungary
BUSINESS INDIA, India
HARVARD ESPANSIONE, Italy
HARVARD DIAMOND BUSINESS, Japan
HARVARD SOGANG BUSINESS, Korea
EXPANSION, Mexico
FEM, Netherlands
NEW ZEALAND NATIONAL BUSINESS, New Zealand
SINGAPORE BUSINESS, Singapore
HARVARD DEUSTO BUSINESS, Spain
LEDARSKAP, Sweden
BUSINESS, United Kingdom
HARVARD BUSINESS REVIEW, United States
PRAVDA ECONOMIC WEEKLY, USSR
GERENCIA '90, Venezuala
HARVARD MANAGER, W. Germany

I. Begin by considering the relationship between companies and countries. What should business expect from government, and what should countries and communities expect from business?

Circle the number that indicates how strongly you agree or disagree with each of the following statements.

1 Strongly agree 2 Agree 3 Neutral 4 Disagree 5 Strongly disagree

I would favour the government putting the needs of business first in decision making and policy setting because business creates a healthy economy.	1	2	3	4	5
I believe in free trade between nations and the fewest possible protections for domestic enterprise.	1	2	3	4	5
To ensure the presence of a strong domestic industry, businesses should be willing to pay more, if necessary, to support domestic suppliers.	1	2	3	4	5
Owners of a business should care more about their country's success than their company's success	1	2	3	4	5
Businesses should be committed to their home country; it should not be easy for them to move facilities to another part of the world.	1	2	3	4	5
I would support government measures to limit the amount of foreign ownership of corporate assets in my country.	1	2	3	4	5
An international company's top executives should come from the country where the company is headquartered.	1	2	3	4	5
In its purchases, my government should give preference to domestic companies.	1	2	3	4	5
I think government should actively help domestic businesses succeed in the international economy.	1	2	3	4	5
It is acceptable for foreign companies to try to influence the laws and regulations of host countries.	1	2	3	4	5

II. This section looks at how companies cooperate with one another as suppliers, customers, and venture partners.

Does your organisation have any important joint ventures, strategic alliances or partnerships with other companies?

☐ Yes, many ☐ Yes, a few ☐ No ☐ Don't know

Are the partners

☐ Foreign ☐ Domestic ☐ Both ☐ Don't know

When your organisation sees a new business opportunity or problem, does it

☐ Find internal expertise ☐ Look for experienced partners ☐ Some or both ☐ Don't know

Does your organisation

	Always	Often	Sometimes	Never	Don't know
Work with suppliers to design a product					
Include customers on a product-planning team					
Offer seminars or training programmes for suppliers					
Offer seminars or training programmes for customers					
Have long-term relationships with suppliers					
Share strategic information with customers					
Expect senior executives to meet routinely with customers					

Check the three most serious concerns you would have about joint ventures or alliances with suppliers and customers.

☐ Stealing secrets
☐ Inability to control the other company's people
☐ Coordinating plans
☐ Customers getting confused
☐ Extra time for meetings
☐ Currency risk
☐ Political risk
☐ One company being much bigger than the other
☐ Incompatible accounting and information systems
☐ Different corporate cultures
☐ Getting quality to the highest standard
☐ Personality clashes between top managers

III. This section explores relationships inside your organisation. What characterises senior managers and other employees? Are workplace relationships changing? What can business expect of employees?

Check the characteristics that best describe the people in your organisation as you saw them ten years ago and as you see them today.

Senior Managers			Other Employees	
10 Years Ago	Today		10 Years Ago	Today
☐	☐	Well-educated	☐	☐
☐	☐	Do the minimum to get by	☐	☐
☐	☐	Interested mostly in money	☐	☐
☐	☐	Eager to improve	☐	☐
☐	☐	Knowledgeable about many areas of work, not just their own departments	☐	☐
☐	☐	Creative and innovative	☐	☐
☐	☐	Work well in terms	☐	☐
☐	☐	Committed, loyal	☐	☐
☐	☐	Ambitious, self promoting	☐	☐
☐	☐	Undisciplined	☐	☐

INGS

ABS PLASTICS LTD

CHAIRMAN'S SPEECH

SPEECH OF CHAIRMAN, **SHRI J. J. MEHTA,** DELIVERED AT THE SEVENTEENTH ANNUAL GENERAL MEETING OF THE COMPANY HELD ON THURSDAY, THE 4TH OCTOBER, 1990 AT 11.30 A.M. AT THE REGISTERED OFFICE OF THE COMPANY AT NANDESARI, DIST. BARODA.



SHRI J. J. MEHTA

HIGHLIGHTS

- **Turnover up by 32% to Rs. 3457.57 lacs.**
- **Gross Profit has grown by 115% over previous year.**
- **Net Profit shows an increase of 225% over last year.**
- **Dividend 25%.**
- **Decision to issue 1:1 Bonus Shares (Awaiting CCI approval).**
- **Capacity enhanced from 5,000 TPA to 10,000 TPA of ABS Resins.**
- **New thrust to R & D.in plastic alloys.**
- **SAN Project at a capital cost of Rs. 13.25 crores. Commissioning by 1992.**
- **Negotiations for export at advanced stage.**

ear Shareholders,

gives me great pleasure to heartily elcome you all this morning to the th Annual General Meeting of the ompany. The Directors' Report d the Audited Balance Sheet and rofit & Loss Account for the year ded 30th June 1990 have been in our hands for quite some time and ith your permission I take them as ad.

RESULTS

ou will have noticed from the nnual Accounts that the working sults for the year have been quite ncouraging. The turn-over was Rs. 457.57 lacs over the turn-over of s. 2611.66 lacs for the previous ear. The growth attained in turn-ver worked out to more than 32%. he gross profit before depreciation as Rs. 715 lacs compared to Rs. 32.70 lacs for the previous year nd net profit after depreciation mounted to Rs. 572.25 lacs ompared to Rs. 175.90 lacs for the revious year, an increase of 115% nd 225% respectively.

ecause of this improved working, our Company has declared a ividend @ Rs. 2.50 per Share i.e. 5% (as against 22% for the revious year) including on the ight Shares issued on 17.2.90 on ro rata basis.

ou will also be happy to note that n line with its philosophy to serve s shareholders, your Company has ecided to issue Bonus Shares in the atio of one equity share for one quity share held. The shares shall e allotted soon after the approval s received from the Controller of Capital Issues. The announcement o this effect shall be made at the ppropriate time.

WORKING OF THE COMPANY

The working of your Company for the current year continues to be good. However, the present crisis in the Gulf has put the entire petrochemical industry in a precarious and unpredictable situation. Hopefully, this crisis will blow over and normal conditions will be restored soon.

MODERNISATION/ EXPANSION

You will be happy to note from the Directors' Report that, your Company has successfully completed the expansion from 5,000 TPA to 10,000 TPA of ABS Resins and I am happy to inform you that the trial runs have been successfully carried out. Your Company is now able to offer better quality material with newer grades which have become essential for the changing needs particularly of the Electronic and Automobile industries. The Company, as can be seen from the Directors' Report, is also going ahead with modernisation of the existing facilities to avail of the advantage of advanced technology. With this, the Company will be able to reduce its cost of production and get better realisation. The demand for ABS Resins continues to grow as anticipated and your Company is ready to meet the growing demands.

R&D EFFORTS

In order to satisfy the needs of high-tech plastics with specific properties, your Company is planning to make a thrust in new areas of plastic alloys, for which R&D efforts have already been taken in hand.

DIVERSIFICATION

You must have observed from the Directors' Report that the Company has taken effective steps in implementing SAN Project at a capital cost of Rs. 13.25 crores at Katol, Dist. Panchmahals. The design package has also been received from the Foreign Collaborators and the project is likely to be commissioned in the first quarter of 1992.

Your Company is also planning for diversification into other areas. An announcement to this effect shall be made after the techno-economic studies for the products are completed.

The Sheeting Plant will start operation by mid-October '90 soon after material from the new production line is available. Your Company hopes to achieve good capacity utilisation of Sheeting Plant for the remaining part of the year.

You will also be pleased to know that, for uninterrupted flow of raw-materials, your Company is in process of augmenting storage facilities at the plant site and for storage of imported raw-materials at Kandla by providing tankage, for which a plot of land has been acquired from Kandla Port Trust authorities. Construction work has been taken on hand and is expected to be completed by end of the next year. Thus, your Company will be benefited by holding sufficient stocks of raw-materials and continuity of production will be maintained.

EXPORTS

Your Company is also planning to export its product and negotiations for export promotion are at an advanced stage. It is hoped that the first shipment will commence during the 4th quarter of this calendar year.

GENERAL

I shall be failing in my duty if I do not congratulate the Managing Director, Shri R. S. Agrawal and his team for their untiring efforts in bringing the Company to the present status.

I also place on record my sincere thanks to my colleagues on the Board for their wise counsel which helped in improving the working of the Company. I also thank the staff and workers for their cooperation in operating the Plant efficiently. My thanks are also due to the Government of India, Government of Gujarat, Financial Institutions and Banks for their continued cooperation.

I now place Audited Balance Sheet and Profit & Loss Account for the year ending 30th June 1990 for your consideration.

abs plastics

Regd. Office :
51, GIDC Industrial Estate,
Nandesari 391 340 Dist. Baroda

TV ADS/Aadh

(This does not purport to be a report of the proceedings of the Annual General Meeting).

Think about the "top group" in your organisation — those people with the most responsibility and authority — and the "bottom group" — those with the least responsibility and authority. Check the column that best describes how these groups compare in each category.

	Some	Somewhat Similar	Somewhat Different	Very Different	Don't know
Access to information about company strategy					
Level of pay					
Ability to initiate new projects					
Style of dress					
Basis for pay (hourly wages or salary, straight pay or bonuses)					
Leisure-time activities					
Contact with customers					
Places lunch is eaten					

Imagine a family in your country consisting of a husband, wife, and children living at home. Check the column that best reflects your opinion of how each work situation would affect the organisation and the family.

	For Organisation: Good	Bad	Neutral	For Family: Good	Bad	Neutral
Working on the week-ends						
A family member at home to take care of the children						
Staying at work late to handle a crisis						
Husband and wife both work for the same organisation						
Interrupting a vacation to handle a business problem						
Husband changes cities when wife gets a better job						
Leaving work to handle a family problem						
Flexible work hours; can begin and end work at any time						
Husband and wife both hold important paid jobs						
Child care available on work premises						

IV. This section examines the relationship between business and the well-being of a society.

Many countries have troubling social problems. Which of the problems listed below affect the success of your organisation?
Number them in order of the most important to the least important (1 = most important). Then check the box that best expresses your view of the role business should play in solving these problems.

Order of importance to my business		Business should take primary responsibility for solving this problem	Business should take an active role by providing staff and other resources	Business should assist with financial support only	Business should not be involved	Don't know
☐	Alcoholism; drug addiction	☐	☐	☐	☐	☐
☐	Environmental problems like waste disposal, pollution	☐	☐	☐	☐	☐
☐	Unsafe cities (violence, crime, youth gangs)	☐	☐	☐	☐	☐
☐	Quality of education	☐	☐	☐	☐	☐
☐	Poverty	☐	☐	☐	☐	☐
☐	Unemployment	☐	☐	☐	☐	☐

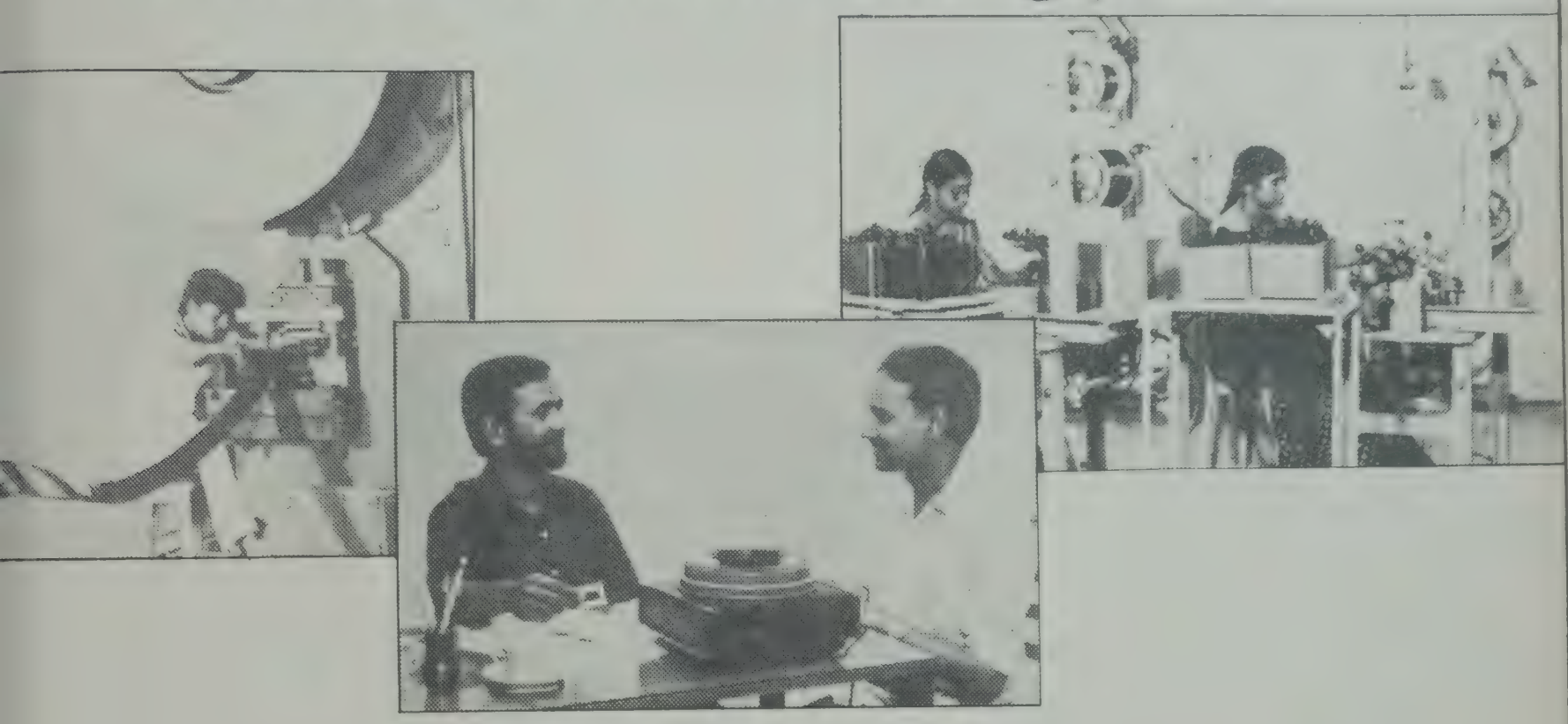
Businesses can contribute to people's well-being in many different ways. Circle the number that best represents your opinion of whether business should engage in each of the following activities.

	This is a critical contribution		This would be a useful contribution		This would be an inappropriate contribution	Don't know
Educating people to read and write	1	2	3	4	5	X
Ensuring that people have adequate retirement funds	1	2	3	4	5	X
Ensuring people's health and health care	1	2	3	4	5	X
Increasing individual wealth	1	2	3	4	5	X
Helping employees finance housing	1	2	3	4	5	X
Providing child care facilities	1	2	3	4	5	X
Helping employees provide for elderly dependents	1	2	3	4	5	X

INGS

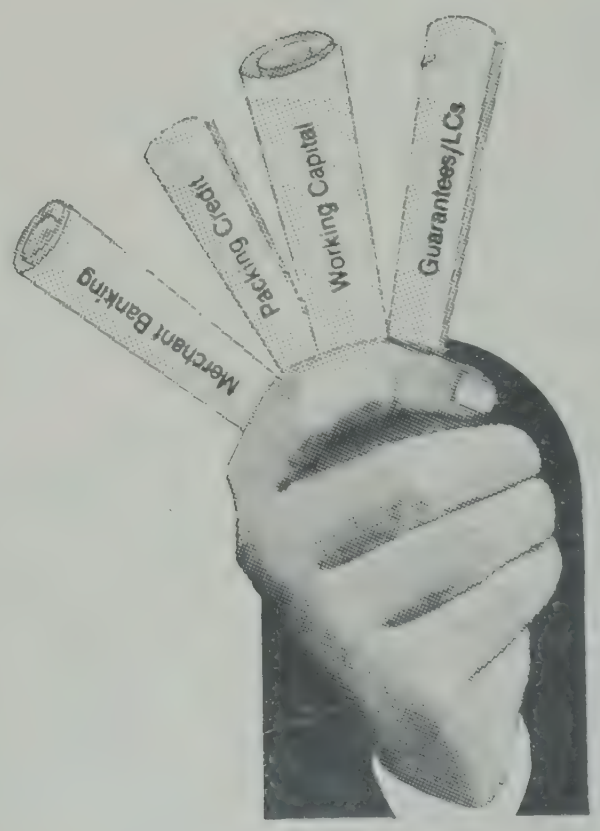
Small Scale Industrialists

While you sort out raw material identification, production details and the marketing pitch,



let LVB help with the finances.

For details and prompt action
contact your nearest LVB Manager.



The Lakshmi Vilas Bank Ltd.
Karur 639 001.

Chairman: **I. Sada Siva Gupta**

Our business is to help solve your problems.

Shruti/M/LVB/9022

V. This final section asks for general background about your organisation and yourself.

Check the category that best reflects your organisation's primary area of business:
- ☐ Basic manufacturing
- ☐ Consumer goods manufacturing
- ☐ Electronics and computer-related manufacturing
- ☐ Financial services
- ☐ Wholesale or retail trade
- ☐ Telecommunications
- ☐ Professional services
- ☐ Government ministries or agencies
- ☐ Education, health care, or related human services
- ☐ Other

In what country are you located: _____

In which country is your organisation's headquarters located: _____

Total number of employees:
☐ Fewer than 25 ☐ 25-499 ☐ 500-4,999 ☐ 5,000-10,000
☐ More than 10,000

Age of organisation:
☐ Less than 5 years ☐ 5-20 years ☐ More than 20 years

Number of facilities (plants, sales offices, branches, subsidiaries) located outside your organisation's headquarters country:
☐ None ☐ 1-5 ☐ 6-10 ☐ More than 10

Proportion of revenues that come from your organisation's headquarters country:
☐ Almost all ☐ More than half ☐ Half ☐ Less than half
☐ None ☐ Don't know

Check the three factors that are most important to your organisation's success.
- ☐ Technology
- ☐ Problem solving
- ☐ Government legislation
- ☐ Supplier relations
- ☐ Manufacturing techniques
- ☐ Management
- ☐ Product quality
- ☐ Product development
- ☐ Capital
- ☐ Work force skills
- ☐ Customer service
- ☐ Distribution systems
- ☐ Management-labour relations
- ☐ Product cost

Check the statement that best describes your organisation's profits or operating surplus.
Last year: ☐ Increased ☐ Decreased ☐ Remained the same
Last 5 years: ☐ Increased ☐ Decreased
☐ Fluctuated or remained the same ☐ Don't know

In your organisation's primary line of business, are your strongest competitors
- ☐ Domestic
- ☐ Global
- ☐ Both

Compared with your strongest competitors, is your organisation's market share
- ☐ Increasing
- ☐ Decreasing

In your organisation's primary line of business, do competitor's consider you
- ☐ The dominant player
- ☐ An experienced, highly competitive player
- ☐ An experienced but weak player
- ☐ A strong new entrant
- ☐ A new entrant, not yet proven

INGS

What are your organisation's regular planning horizons?
- ☐ Less than 1 year
- ☐ 1 year
- ☐ 2-4 years
- ☐ 5 years
- ☐ 10 years
- ☐ More than 10 years

Which of the following changes has your organisation experienced in the past two years? Check *all* that apply.
- ☐ Major restructuring or reorganisation
- ☐ Major reduction in numbers of employees
- ☐ Merger, divestiture or acquisition
- ☐ Expansion in your headquarters country
- ☐ Expansion outside your headquarters country
- ☐ New chief executive
- ☐ Major change in strategy
- ☐ Privatisation

Check the category (or categories) that best describes your organisation's ownership structure.
- ☐ Publicly held with shares traded on a public exchange
- ☐ Privately held
- ☐ Government owned
- ☐ Other

Check the category that best describes your primary area of responsibility.
- ☐ Sales and marketing
- ☐ Finance
- ☐ Operations
- ☐ Research and development
- ☐ Information services
- ☐ Human resources
- ☐ Other

Check the mangement level that best describes your present job.
- ☐ Senior management
- ☐ Middle management
- ☐ Non-management

How satisfied are you with your current job?
☐ Very ☐ Somewhat ☐ Not at all

How satisfied are you with your current employer?
☐ Very ☐ Somewhat ☐ Not at all

Sex: ☐ Male ☐ Female

Age: ☐ 20-29 ☐ 30-39 ☐ 40-49 ☐ 50-59 ☐ 60 and above

Marital status: ☐ Married ☐ Not married
If married, is spouse employed in a paid job? ☐ Yes ☐ No

Number of children _____

Country of birth _____ Country of citizenship _____

Number of languages you speak _____

Do you expect the next generation to live a more comfortable, financeable, secure life than yours?
☐ Yes, definitely ☐ Probably ☐ Unlikely
☐ No, definitely not

Thank you very much.

Please return your completed survey at the earliest to:
Business India (World Leadership Survey)
18th Floor, Nirmal,
Nariman Point, Bombay-400 021

SIEMENS



Tomorrow's Highlights

From Siemens continuously emerge ideas and discoveries that light the path to the future. Innovative ideas that are focussed on the specific needs of the country, today and tomorrow. High-tech made home-tech!

At Siemens, the driving forces of technology are products and systems that will improve productivity,



Siemens 'technovations' are focussed on the widespread needs of health care in India.

reliability and efficiency. Not only in exciting new areas but in existing lines that are the very essence of 'Siemens'.

Siemens sets the standard in a wide range of products, systems and projects. These include control and automation systems, railway signalling equipment, medical electronics, switchgear, switchboards, drives and motors, turnkey projects or new dimensions in telecommunications.

Ideas are fragile things. It takes the full support and commitment of a worldwide organisation to make sure they stay lit.

Siemens Ltd.,
P.O. Box 6597,
Bombay 400 018.

Siemens.
Where international technology meets human needs.

S.R.P. TOOLS

The cutting edge

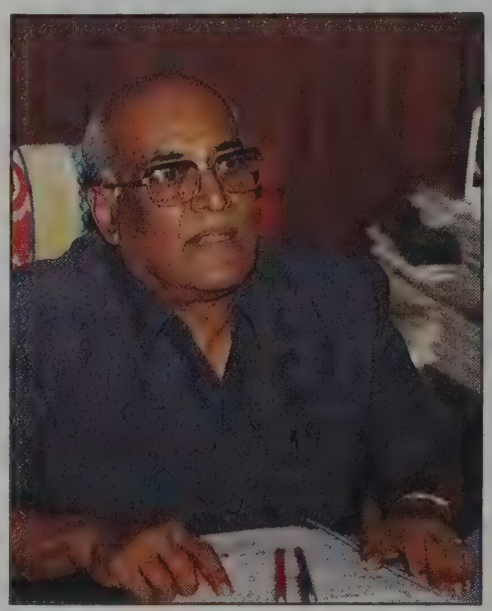
Twentyfive years after it began operations, this low profile, family-run company now commands half the market for gear cutting tools

Recognising and grabbing a business opportunity has always been the hallmark of an entrepreneur on the go. So it was with S.RM.PL. Subramanian, chairman and managing director of S.R.P. Tools Ltd (SRPTL). When a licence to manufacture cutting tools came his way in 1962, he did not bat an eyelid. "Cutting tools, widely used in the engineering industry, were then imported. There were not many competitors in the field. Therefore, despite his non technical background, he decided to take the plunge," explains S. Ramanathan, managing director, SRPTL and Subramanian's eldest son.

The decision has more than paid off. From a turnover of Rs.1.6 lakh in 1965-66, the first year of operations, this low profile Madras-based company notched up a turnover of Rs.8.76 crore in 1990. This figure is expected to cross Rs.12 crore during the current financial year (1990-91). Market sources estimate SRPTL to have a market share exceeding 50 per cent in gear cutting tools.

Potential in cutting tools

Cutting tool manufacture was not Subramanian's first venture. In 1947, after his graduation, he had bought a defunct tannery near Coimbatore, with family funds. In 1950, his father, S.R.M. Palaniappan, a banker who had joined the business on retirement, had expressed a desire to set up a textile mill — the traditional business of the Chettiar community to which they belonged. At that time, the family did not foresee a bright future in the leather industry. Licences, however, were hard to come by in Tamil Nadu, and it was when Subramanian went Delhiwards to pursue this matter that friends in the Directorate General for Technical Development (DGTD) apprised him of the potential in manufacturing cutting tools. "We applied and were given the licence," says Subramanian.



Subramanian: "buyers were supportive"

Cutting tools are used for machining purposes, for cutting steel into form, particularly in the automobile and machine tool industries. "Cutting tool manufacture in the fifties was dominated by Addisons (of the Madras-based Amalgamations group), Indian Tool Manufacturers Limited (ITM), a Birla concern in Bombay and the Small Tool Manufacturers Limited (STM), Calcutta," observes V. Aravamuthan, area sales manager, Voltas Limited. But Subramanian was not daunted, and recruited an experienced technical hand from Voltas Limited got on with the job.

SRPTL was floated in 1964, with 50 ple on its rolls and in 1965, the com went public with an issue of equity sh of the value of Rs.12.5 lakh. A manufac ing unit was set up on Lattice Bridge R Madras, at an investment of Rs.10 l Though the main consumers still im ted a sizeable quantum of their req ments, "buyers like Ashok Leyl Kirloskars, Hindustan Motors, Telco others were supportive," recalls S ramanian. The fledgling firm was ab commence paymen dividends from the first year of operati

At the outset, SR handled its marke directly. But collec dues from buyers in ious parts of the cou presented a prob since the company c not afford to set branch offices at var locations. Therefor August 1967, the m keting function was trusted to Vo Limited for a reason commission. "Vo pays us within 45 da delivery and has a l branch network. Marketing is rend easier because Voltas is associated quality products. Telco, one of our bi customers, also belongs to the Tata gr So the association with Voltas helps u more ways than one," says Subraman

By 1974, the turnover touched R lakh. S. Ramanathan had qualified a



The Ranipet plant: responding to the need for indigenisation



Product range: quality equal to the imported variety

ngineer and was ready to han-
e additional responsibility.
learly it was time for better
ings. The share capital was
herefore doubled to Rs.29
kh through a rights issue.
ear cutting tools seemed the
gical product choice. Used in
ne automobile industry for
tting gears, these tools were
ilor-made to fit particular
achines and were high-value
ems. Further, these tools
ere then imported. Recognis-
g the need to indigenise,
RPTL decided to commence
anufacture of these tools at a
econd unit set up at Ranipet,
10 km from Madras at an in-
estment of Rs.3 crore. Loans
om banks and financial insti-
tions provided the necessary
nds. The capital was doubled
gain, to Rs.49.5 lakh.

Since the requisite techno-
gy was not available locally,
ne government insisted on a
ollaboration. So SRPTL tied up for tech-
ology with Mitsubishi in November 1974.
he Indian firm's workmen were trained
n Japan, and SRPTL also received advice
n the purchase of machinery. However
he agreement was terminated five years
ater. The government felt that SRPTL had
een given sufficient time to absorb the
echnology, and Mitsubishi on its part was
een on an increase in the royalty, which
he government of India was insistent on
egging at 4 per cent. SRPTL, however, had
cquired the requisite technology by then.
Our technicians had become adept at op-
rating the plant and the necessary draw-
ngs had been acquired from Mitsubishi,"
ays Subramanian.



Mitsubishi technology at work in the plant

Emphasis on servicing

n the case of gear cutting tools, there were
nitial problems in marketing. "We had to
prove that our quality was equal to that of
he imported variety," observes
Ramanathan. And this took almost three
ears to accomplish. In addition to a price
dvantage in comparison to the imported
ariety, SRPTL located applications engi-
neers at all the metros and major towns
where its largest consumers are situated
o handle their servicing needs. This em-
phasis on servicing paid off.

Currently, the majority of the sales
come from gear cutting tools. The com-
pany also has a dominant share in two
other products, gear shaving cutters and master cutters. (For the former, as the name suggests, a "shaving" process is used to cut gears out of the raw material. Master cutters are used to check the dimensions of gears.) Though Gajra Gears Limited manufactures the former, it is used primarily for captive consumption.



Ramanathan: "we react faster to the needs of the market"

Only 20 per cent of SRPTL's production consists of cutting tools because this field has witnessed the entry of several small scale units which have lower overheads, concessional finance and exemption from the payment of excise duty. Besides, among the larger companies, Addisons with its capacity to massproduce always has had a dominant share of the cutting tool market, totally estimated to be in the region of Rs.60 crore. This is mainly why SRPTL ventured into the more specialised field of gear cutting tools.

The company's next major venture is the manufacture of twist drills, specialised cutting tools used to drill holes on metallic surfaces. SRPTL has invested Rs.1.5 crore to set up facilities at its Madras plant. Of this amount, Rs.1 crore is coming from the financial institutions and the balance from internal accruals. Production is scheduled to commence in November this year. "Currently ITM's Bombay plant has closed down due to labour trouble and another manufacturer, Jayaramdas Udyog has also downed its shutters, leading to a shortage of twist drills," explains Ramanathan. By July 1991, SRPTL hopes to grab 40 per cent of the domestic market and go in for exports. "We are exploring the export market, particularly Australia," says Subramanian.

Other plans include spending Rs.2 crore (with funding from financial institutions) in adding balancing equipment and in replacing old machines at the Ranipet plant. Quality control is given prime importance and regular quality checks are carried out at both plants. Sources at Addisons confirm that SRPTL's quality is acceptable. Since gear cutting tools are specialised items, the imported material is diverted to the Ranipet plant, while the locally purchased high speed steel is used for the manufacture of cutting tools at its Madras plant. (Eighty per cent of SRPTL's sales consists of gear cutting tools with cutting tools taking up the rest.)

Though the company is listed on the Madras Stock Exchange and has 1,200 shareholders, the major shareholding (50 per cent) remains with the family, the remainder being held by the financial institutions and the public. S.R.M. Palaniappan, now 82 years old, acts as an advisor to the company. Subramanian handles matters of policy and finance, while S. Ramanathan handles the technical and marketing function. "Being a family managed concern, we react faster to the needs of the market and are more accessible," observes Ramanathan. The company employs 350 workers at both its units, and according to Voltas, "has an excellent technical team."

SRPTL plans to grow big. By March 1992, the company hopes to notch up a turnover of Rs.16 crore and by 1993, Rs.20 crore. If SRPTL can manage to keep its cutting edge razor sharp, it should not find it difficult crossing these milestones.

■ DHARANI K. PANI

ABSORPTION CHILLERS

Amazing cost savers

Compressor refrigeration and air-conditioning systems guzzle electrical power. But absorption chillers, which use steam generated from low cost fuels, could provide a more efficient alternative. For every tonne of refrigeration capacity, absorption chillers consume 30 per cent less energy.

Thermax has been trying to promote the use of absorption chillers to optimise steam utilisation in process industry. It was the first company to manufacture these chillers in 1988, in collaboration with the Japanese electronics giant Sanyo, which has a dominant share in the Japanese chiller market.

"As much as 50 per cent savings in operation can be made in cases where steam is readily available to run the chillers," says R.V. Ramani, general manager of Thermax's heat recovery division. Rajasthan Glyaxol in Udaipur, he says, had unutilised steam capacity which was effectively used to run a 100-tonne absorption chiller installed by Thermax.

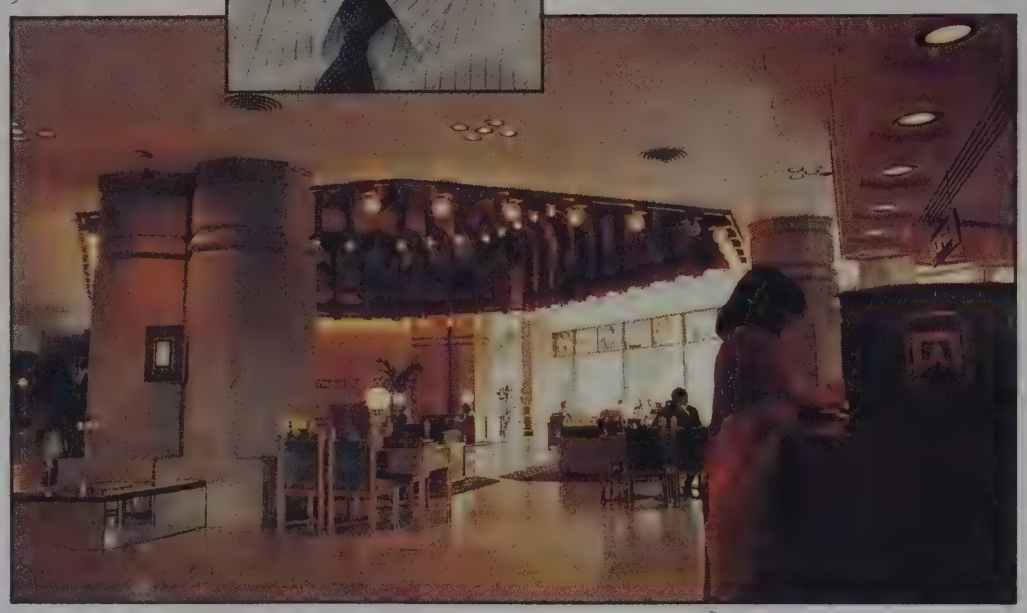
In just two years, Thermax has already sold Rs.10 crore worth of chillers and, according to S.S. Shastri, sales manager, "the business is growing". According to Ramani, "In 1990-91 alone, we will be selling another Rs.10 crore worth of chillers." Thermax has 13 installations all over India, totalling about 15,000 refrigeration tonnes. These include the Maurya Sheraton hotel in New Delhi, Garden Silk Mills, Indian Rayon and J.K. Synthetics.

"One of our first installations at Indian Rayon in 1985 has been saving the company Rs.10,000 a day ever since," points out Ramani. "The entire cost of Rs.35 lakh has been recovered in just 18 months." That large 850-tonne unit — among the first imported Sanyo chillers installed by Thermax — will continue to save Indian Rayon money for at least another ten years.

Now 19 more systems sold to clients like Tata Electric, DCW, Sriram Rayon, Deepak Fertilisers and Ballarpur Industries are being installed. The new Oberoi hotel at Bangalore, which is scheduled to open next month, will be fully air-conditioned by Thermax absorption chillers. Sanjay Batra, vice-president, East India Hotels, says: "We found it prudent to adopt vapour absorption technology, thereby freeing our air-conditioning systems from the uncertain power supply and ever increasing power tariffs. It makes more sense to adopt this technology which is also maintenance free."

While Kanti Undkhat, general manager (planning) of Special Steels Ltd, found the investment for absorption and conventional systems roughly comparable, the main advantage he wanted to highlight was depreciation. The absorption chiller is eligible, as an energy saving device, for 100 per cent depreciation as against 30 per cent for a conventional compressor.





Delhi's Maurya Sheraton and (inset) *Ramani: halving operational costs*

Thermax engineers are now confident that they have made a dent in the refrigeration market. Says Mukund Ranade, technical manager, "Even where steam is not available and boilers have to be installed to generate steam for absorption, a 30 per cent cut in cost is possible given the sharp hikes in power tariffs." Unreliable power is reason enough for industries to switch to absorption chillers. "Bhilai Steel Plant, located in the eastern region, has just placed an order for a 1,400 tonne the largest single unit Thermax has so far," says Sridhar Ramanan, sales ager of Thermax.

The concept of absorption chilling dates the compression refrigeration tem. However, when cheap electr became available, the use of compre systems became more economical an dustries worldwide switched from abs tion to compression chillers.

Then oil crisis in the seventies wit attendant rise in cost of power prom countries like Japan and South Kor re-examine absorption chilling. In 85 per cent of chillers produced in J were based on the compression cycl 1985, the proportion was reversed.

The principle of absorption chilli that in a vacuum, water evaporates consequently cools much below room perature. This cooling produces temp tures as low as five degrees centig This temperature, though not low en for use in large refrigeration plant good enough for air conditioning. It the thermic fluid (usually water), w passes through the several heat changer pipes in the uum chamber, and cooled water, in tur piped to the area t cooled.

Meanwhile, the va ised refrigerant (water side the vacuum chamb absorbed by a concentr solution of lithium mide, which is transfe to another chamber w it is heated by steam t lease the absorbed w vapour. Finally, the va is cooled to a liquid sta a condensing unit to plete the absorption According to techn studies, absorption is more attra than compression when the cost of p is more than Rs.1.50 per unit of electr Large office complexes could profit utilise the new technology for centra conditioning.

Absorption chilling is being studie companies like Voltas and Blue leaders in refrigeration. Voltas is like tie up with Hitachi soon, to initially ket absorption chillers and later manu ture them. Blue Star is also consider similar tie up. However, Thermax seem have got a head start.

■ ROOP KARI



Zodiac for Carlo Bernini

As usual the Italians are flirting with the latest, hottest number.

Here's the line the passionate Italians are falling for. Zodiac. Exported to Europe's leading fashion houses. The international look of the season is now available in India. Check it out. And you'll see what makes Carlo whistle with such fervour.

The soul of Europe. The spirit of Zodiac.

Z O D I A C

SHIRTS TROUSERS TIES SOCKS BELTS WALLETS HANDKERCHIEVES

Only 10% of Zodiac's production is sold in India.



RHIZIC Z



Of what use is information technology to a man who just can't wait to get back home?

It's an emergency. He's needed home most urgently. Obviously nothing matters more to him than his journey home. And any technology that can make railway tickets easier to book is meaningful to him. Not to mention millions like him. Information technology from Motorola is one such example. It has already helped in networking railway booking centres around the country. To give everyone the same information at the same time. Speeding up reservations. Providing accuracy. Offering conveniences like return bookings. Thus benefiting people like this man who can book a seat without even going to the railway station. At Motorola, we have the technological understanding and the prowess to develop many such advanced software and hardware solutions that can better the human experience.

So that high technology isn't just relevant to Star-wars and Space Research. But also to this man.

INDIA

TOGETHER WE'LL MAKE TECHNOLOGY WORK

MOTOROLA

TWO WAY RADIOS, PAGERS, CELLULAR TELEPHONES AND SYSTEMS, DATA COMMUNICATIONS AND INFORMATION PROCESSING EQUIPMENT, SEMICONDUCTORS, DEFENCE AND AEROSPACE ELECTRONICS, AUTOMOTIVE AND INDUSTRIAL ELECTRONICS, COMPUTERS

India Liaison Office : 822, Meridien Commercial Towers, Windsor Place, New Delhi-110 001, India. Tel : 3711549 Tlx : (31) 62902 Fax : 3718086.

LINTAS (DELHI)/MOT (I)/2438

Golden moments. McDowell moment



Unmistakably No.1... McDowell's

Make mine McDowell's The soda with

sahi India Safety lass

rns the corner and declares maiden vidend; expands capacity; limited ating stock and encouraging prospects s resulted in an over twofold appreciaon in share price during 1990

ahi India has turned the corner for the -month period ended 31 March 1990 d has declared a maiden dividend of 10 r cent. This Maruti ancillary is engaged the manufacture of toughened glass for

sahi India			(Rs crore)
ear ended	31 Mar '90*	30 Sept '88†	% change‡
et sales	20.66	9.58	80
ther income	0.09	0.01	650
xcise duty	3.76	1.92	63
aw materials onsumed	11.14	5.29	75
mployees' cost	0.70	0.35	67
ther expenses	3.04	1.44	76
nterest	1.49	1.34	– 10
epreciation	2.79	3.37	– 31
ax	0.12	—	—
et profit/(Loss)	2.04	(1.41)	—
quity capital	1.85	1.85	
eserves and surplus	0.08	(2.01)	
orrowings	11.13	8.19	
ross block	14.85	10.00	
ividend (%)	10.00	—	
Market price (Rs.):			
Current	160.00		
1990: High	160.00		
Low	50.00		

** 18 months † 15 months ‡ annualised*

se in vehicles, solar panels, TVs etc.

Net sales during the period under review was higher by 80 per cent on an annualised basis. This was achieved with higher sales volume (by 59 per cent) at 474,000 q.metres and improved sales realisation by 12 per cent) at Rs.513 (Rs.460) per q.metre. The production was also higher t 4.77 lakh sq.metres (2.49 lakh q.metres).

During the period, the company completed the second phase of its expansion plans and installed a new furnace which began operations in February 1990. This raised the installed capacity from 2.60 lakh sq.metres to 4.42 lakh sq.metres. The company can now sell its surplus capacity after meeting Maruti's entire requirements to other automobile manufacturers. It has already started supplying to DCM Toyota Limited since February 1990.

The pricing formula fixed with Maruti Udyog includes cost and takes care of escalation in prices of imported raw materials. This assures profits from day one, and profitability margins look attractive. However, operating margins during the period declined from 28.67 per cent to 26.27 per cent due to higher employees' cost and other overheads. Nevertheless, gross margins improved by three points to 20.2 per cent (17.03 per cent) due to lower interest costs. Against negative net margins of 12.25 per cent in the previous 15-month period, the company earned net margins of 8.32 per cent.

Although operating profit improved, interest charges declined and gross profit more than doubled. However, depreciation charges were lower by 31 per cent as the company's gross block has been considerably depreciated under the written down value method .

The company's prospects are extremely bright as the results of the various expansion plans will be realised during the current year. During the first four months of the current year, sales jumped by 41 per cent to Rs.7.45 crore against Rs.5.27 crore in the corresponding period last year. Assuming 100 per cent capacity utilisation during the year, the company is likely to report a net profit of over Rs.2 crore on an expected turnover of Rs.26 crore.

Currently, at Rs.160 the scrip discounts its annualised EPS of Rs.7.35 for 1988-90 by 22 times. The limited floating stock has pushed the scrip up by 220 per cent during 1990. Every time the scrip declines, it is worthwhile to add the scrip to one's portfolio.

Indian Rayon

All round improvement in working; higher exports; expansion, diversification and modernisation plans on hand; prospects bright

Indian Rayon, an Aditya Birla group company, is well diversified with interests in cement, carbon black, viscose filament, rayon yarn and other yarns. For the year ended 30 June 1990, the company has reported an all round improvement in its working and has stepped up dividend by three points to 30 per cent.

During the year both operating profit and gross profit increased proportionately by about 36 per cent. Despite providing for tax liability, the bottomline doubled. Modernisation, renovation and de-bottlenecking at all the plants has improved productivity.

Viscose filament rayon and other yarns account for about 45 per cent of gross sales. Due to excellent market conditions for viscose yarn, sales realisation per tonne improved by 26 per cent. A growing demand for finer denier yarn has prompted the company to instal balancing equipments in its rayon division to produce finer denier yarn.

The cement division accounts for about 30 per cent of total sales. Rajashree cement produced by the company commands a premium in the market on grounds of quality. Sales volume of portland cement and white cement improved by 29 and 17 per cent respectively, sales realisation per tonne also improved by 10 and 28 per cent respectively. As a result, total sales of the cement division went up by 44 per cent to Rs.114.81 crore (Rs.79.62 crore). Despite a 50 per cent power cut, higher production was achieved by running the plants on diesel generator sets.

Indian Rayon			(Rs crore)
Year ended	30 June '90	30 June '89	% change
Net sales	357.01	271.73	31
Other income	8.88	9.60	– 7
Manufacturing expenses	74.55	61.26	22
Raw materials consumed	128.96	108.51	19
Employees' cost	39.63	29.44	34
Other expenses	52.31	37.04	41
Interest	29.49	22.37	32
Depreciation	35.56	32.05	11
Tax	2.00	—	
Net profit	19.79	9.82	101
Equity capital	25.44	25.44	
Reserves and surplus	192.95	190.83	
Borrowings	303.59	220.37	
Net block	357.34	276.19	
Dividend (%)	30.00	27.00	
Market price (Rs.):			
Current	165.00		
1990: High	170.00		
Low	84.00		

The company has applied for a one million tonne capacity expansion of its Karnataka cement plant and plans to set up another new plant of one million tonnes capacity in Madhya Pradesh. To overcome problems of erratic power supply, a captive thermal plant of 18 mW will be set up

CHAIRMAN'S STATEMENT

Sona

SONA STEERING SYSTEMS LIMITED

Regd. Office: Indraprakash, Bharakhamba Road, New Delhi 110 001.

Speech of the Chairman, Dr. Surinder Kapur at the 6th Annual General Meeting of the Compan held on Friday the 21st of September, 1990.



It gives me great pleasure to welcome you to this Annual General Meeting of your Company.

Your Company's performance in the last financial year has measured up to the plan. Consequently, a higher rate of dividend is recommended for the year.

FUEL EFFICIENCY — RENEWED EMPHASIS

Your Company's growth and success depends to a large extent on that of Maruti Udyog Limited, your Company's major customer and joint venture partner. Maruti Udyog continues to post excellent results.

Having reached full capacity utilisation, Maruti Udyog plans to expand the production capacity from 130,000 to 230,000 vehicles per annum. Apart from the growing domestic demand, Maruti's doubling of capacity is to cater to the promising export markets in Europe and other countries. Last year 5,400 Maruti 800 CC cars were exported, with France taking the largest share.

The recent spurt in oil prices following the unsettled situation in the Persian Gulf region will only reinforce the worldwide demand for sub-compact fuel-efficient cars. Maruti Udyog is well-placed to tap the export potential. Suzuki Motor Company has agreed that after 1992, Suzuki would discontinue the production and export to Europe of the 800 CC car and Maruti Udyog Ltd. would be the only source of supply of this car to Europe. This will concide with the integration of European countries into a vast common market in 1992. The size of this market can be gauged from European car sales which exceeded 12.5 million last year. Even before the recent spurt in oil prices, Maruti Udyog had estimated the export potential for its cars at 50,000 nos. per year. Suzuki has already thrown open to Maruti major European countries including France, Holland, Germany, Belgium, Italy, Yugoslavia and Hungary. With production costs well below those in developed economies, Maruti cars are globally competitive products.

"To expand its product range, your Company is diversifying into manufacture of Axle Assemblies. The new plant would cater to all of Maruti Udyog's requirement of Axle Assemblies."

GROWTH PLANS

Keeping pace with Maruti's plans, your Company has taken up the programme to expand annual Steering Gear Assemblies capacity from 1.25 lac numbers to 3.50 lac numbers.

Further, to expand its product range, your Company is diversifying into manufacture of Axle Assemblies. The new plant would cater to all of Maruti Udyog's requirement of Axle Assemblies. Under the broadbanding scheme your Company is also taking up manufacture of propellor shafts, within the capacity being created for Steering Gear Assemblies.

In keeping with our stated policy, SONA intends to provide you, dear Shareholders, with the first opportunity to further participate in the company's growth and prosperity. A Rights Issue of Secured Partly Convertible Debentures is proposed, on very attractive terms, to partly finance the aforesaid plans. Upon implementation of these expansion and diversification plans, your Company's turnover would cross the Rs.100 crore mark.

"A Rights Issue of Secured Partly Convertible Debentures is proposed, on very attractive terms, to partly finance our future plans."

HUMAN RESOURCE DEVELOPMENT

Together with the development of the projects on hand, your Company's management is putting in sincere efforts to develop the human resources of the Company. As I have said on earlier occasions, an organisation consists of people and we at SONA believe that the Company's excellence and growth are closely linked to the excellence and growth of our employees. To this end, the Company's management has taken several measures to create and maintain an environment of full participation by the entire cross-section of employees.

In our own country, government announcements and actions in the past few weeks, have shown that the policy-makers intend to further encourage fuel efficient vehicles and penalise those who compromise on fuel consumption. These steps are expected to increase the market share of the vehicles on which your Company's products are fitted. Maruti Udyog and, in turn, your Company can expect to reap the benefits of the renewed emphasis on fuel economy, not only in our country but throughout the world.

The Sona Suggestion Scheme and Employees' Joint Council are working satisfactorily. These forums are a part of our personnel development plan and provide every employee an opportunity to participate in the decision-making process in matters concerning his work and work-place. The employees and the Company have derived immense benefit from these schemes.

WORKERS' PARTICIPATION IN MANAGEMENT

A lot has been said, particularly in recent times, about workers' participation in management. I would like to use this opportunity to share my views on the subject specially since comprehensive legislation is being proposed to give powers to the Government to frame schemes which would be mandatory for industries to implement. There is no disputing the fact that the Government's objectives are laudable. The means of attaining these objectives need to be debated and then carefully designed to make the experiment a success.

Mahatma Gandhi was among the first social leaders to recognise workers as partners in Industry and urged employees to act as their trustees. Way back in 1925, Gandhiji wrote :

"My ideal is that capital and labour should supplement and help each other. They should be a great family living in unity and harmony, capital not looking to the material welfare of the labourers but their moral welfare also - capitalists being trustees for the welfare of the labouring classes under them."

Gandhiji's concept of parti
requires the involvement of wo
means of developing their per
concept in accord with that of
rights and dignity.

Workers' participation is o
as a logical extension of the s
political democracy to the real
industry. In the last year, our h
out to those in Eastern Europe
kindled the spark of democrac
hitherto oppressed countries.
the concept of industrial demo
yet to be universally accepted
politically democratic nations.

Unfortunately, an undercu
political idealism has distorted
meaning of workers' participat
management. It presupposes
for the effective working of de
a means to check on the beha
"ruling" party. This analogy ca
workers' representatives in ma
forums in the role of adversari
certainly not the intention. Suc
ideology has led to the failure
attempts at introducing partici
management in India. The exp
board level representation in n
banks is a case in point, where
leaders on the board are often
with workers' interest alone an
always play a positive role in t
organisation's interest.

It is clear that participative
management requires a chang
attitude of all concerned partie
all know, attitudes cannot be c
overnight and so also legislatio
will not ensure real participativ
management. Our young dem
experience with several well-in
enactments is that legislation
not take into account the preva
realities cannot be implemente

It is reported that under the
Scheme of Workers' Participat
is mandatory for Public Sector
Companies, nearly 25% of the
enterprises have as yet been u
introduce participative forums
and only one public sector ent
(other than banks) has board l
participation.

It is my belief that participa
management builds efficient
organisations. The attainment
operational efficiency is param
the survival and growth of an e
in a competitive economy. In th
analysis, efficiency of an organ
depends on the extent to whic
employees are involved in exe
tasks with diligence, skill and a

bility, which in other words
lose participation of employees.
s easier to get capital, the right
nt, materials and technology
et a skilled and motivated
o use these means of production
cient manner.
stnal psychologists tell us that
giving monetary rewards, it is
t to integrate the individual with
nisation by giving him the right to
e in the decisions affecting his
ce. Nurturing a feeling of
g evokes a sense of pride in
n organisation and creates in
es an emotional stake in the
of the company. This attitudinal
prevents any sense of alienation
eping in and promotes loyalty to
prise. The more an employee is
to exercise control over his tasks
late his efforts to those of his
orkers, the more likely he is to
co-operative attitude and a
commitment to achieving the
the enterprise without conflict.
y organisations which encourage
tion have experienced that the
ent of workmen induces them to
under-utilised skills and
ge to perform better. Further, the
on of managers and workers in
sion making process improves
ty of decisions made and the
ent of workers spurs managers
greater efficiency.
e words of Akio Morita : "A
y will get nowhere if all the

"The attainment of high operational efficiency is amount for the survival and growth of an enterprise in ompetitive economy."

is left to management.
dy in the company must
te and for the lower level
es their contribution must be
at just manual labour..... After
could tell us better how to
e the work than the people who
g it?"

SLATION AND ICIPATIVE MANAGEMENT

an does not have legislation
g compulsory participation of
in management, and yet many
se corporations have encouraged
ee participation in plant-level
n-making. It is creditable that
Udyog has successfully
anted the Japanese work culture
aruti Udyog stresses the basic
phy behind the Japanese
ch - that of egalitarianism, trust
enness, teamwork, 'we feeling' as
'us' and 'them', discipline,
ment, common objectives and
ative decision-making. These
es are fully supported by top
ement and were introduced not by
sion, but in a manner that sought
nunicate to the employees the
f the work culture both for the
ny and themselves.
many countries, workers'
ation in management has been
ted by active legislation. The
es differ from country to country,
depending on their social system and stage of economic development.

In many developed market economies, the scheme is limited to joint consultation at the shop level, whereas in others, such as West Germany, law provides for representation on the Supervisory Boards of Companies. In a few other European countries, this scheme has been supplemented by providing for workers' shareholdings. Each country's scheme of participation is peculiar to its needs and we should not hasten to copy a model which may not be suitable to our economy and social culture. It may not be out of place to point out that, as in our country, these laws have had limited success and time and again in several countries intense debates have resulted in review and modification of original enactments.

IMPLEMENTATION OF PARTICIPATIVE MANAGEMENT

How then should we go about implementing participative management in India?

Firstly, the concept of workers' participation in management needs to be accepted by the employers, the employees, trade unions, law-makers and everybody else concerned. This can only be done gradually through an educative process. Analysis of the shortcomings of previous experiments in workers' participation would reveal the pitfalls to be avoided in future.

Let us all agree that what we are trying to instill is a democratic process and democratic spirit cannot be imposed by legislation on unwilling persons suffering from mutual mistrust and lack of faith. Such a spirit can be evolved only by creating mutual faith and making a voluntary and sincere effort to develop and maintain a cooperative spirit.

The process of evolving a conducive climate in an organisation is a gradual one. More often than not, a process of re-education and training of organisational members at all levels is called for. A change agent, who could bring about a gradual transformation in the attitudes and stances of all concerned, is often very necessary. The Chief Executive has to play a positive role at this stage to effectively communicate the message down to the lowest level, and demonstrate by his own words and actions his unstinted commitment to building a successful "family" relationship in the organisation based on human dignity and team work.

An important pre-requisite for the success of workers' participation is the regular and open exchange of information and ideas. The organisation must create transparency in its dealings through effective communication between all levels of employees. Workers can contribute to decision-making only if they have access to relevant information and are able to appreciate the various parameters involved in managing complex industrial enterprises.

Involvement of workers in decision-making process in the Company can be an evolutionary process, starting from bottom up. Participatory management can begin first at the Shop Level to decide on issues like cleanliness, safety, cost reduction, improved machine utilisation and work methods, improved operative efficiency, material storage and movement, quality improvement, departmental monthly targets and schedules etc. There could be several Shop Level Committees for different sections if the plant is a large one, with an effective mechanism of colating and co-ordinating the functioning of these Committees.

Only after the Shop Level Committees have demonstrated the ability to be effective, should the organisation move to the next step of Plant Level Participative Management. At this level, suitable productivity schemes could evolve and be implemented. This committee could deal with programmes and tasks that relate to the Company's Annual Production/Sales Plan. These activities could comprise planning, implementation, fulfilment and review of monthly targets, material supply and shortfall, inventories, housekeeping, quality and technology improvements, new products, manufacturing cost control, absenteeism, personnel policies, environment and safety and also matters not resolved at the Shop Level or concerning more than one shop.

In the psychological hierarchy of needs, the basic economic needs have to be satisfied first before moving up the hierarchy to higher needs of safety and security, social and affiliative, ego satisfaction and status and, finally, self-actualisation need. So also, participative management has to satisfy basic needs at the shop-level then at the plant level before finally satisfying higher needs akin to self-actualisation at the Board level. Only a mature Participation Scheme can take on the responsibilty of Board Level representation.

At every stage, the implementation of participative management needs to be supported by activities like suggestion schemes, quality circles, task forces, safety councils, etc.

There is no doubt that there is need to change the present worker-management relationship for the better, and participative management is the right approach. In my opinion, participative management is the key to improving the operating efficiency of our industries and, in a wider perspective, our economy. I certainly would not want the new legislation in this regard to be implemented in a half-hearted manner like its predecessors. Because the success of this experiment is so vitally important to our country's economic and industrial development, I appeal to the policy makers to devote a great deal of attention to this proposal, analyse the successes and failures of earlier enactments in our country as well as those in other countries, in the context of their respective industrial cultures, and encourage open debate and participation of all concerned.

"We at SONA are working towards building up the organisation with participative management as the cornerstone."

Labour laws in our country were formulated on the assumption that managements seek every opportunity to exploit the oppressed labour and adequate safeguards need to be enforced by the law to prevent or penalise exploitation. These laws were relevant in the early days of industrialisation.

With the advent of workers' participation in management, many aspects of these laws would appear antiquated. In the process of joint decision making, labour and management are partners and not opponents. I therefore suggest that the enactment on Workers'Participation should be followed by other progressive amendments to the existing laws, including those regarding termination of employment and closure of obsolete production facilities.

We at SONA are working towards building up the organisation with participative management as the cornerstone. We have voluntarily set up forums for employees' participation and plan to expand these activities to improve the efficiency of your enterprise. We have a long way to go but I am happy to say that we have made a good beginning.

"In my opinion, participative management is the key to improving the operating efficiency of our industries."

ACKNOWLEDGEMENTS

An enterprise draws strength from its satisfied customers. I take this opportunity to thank our customers, specially Maruti Udyog Ltd., the Company's most important customer, who is our major strength. I am also thankful to the Company's suppliers who are supporting our operations and are keen to participate in our expansion and growth programmes.

I am also grateful to my team at SONA, my colleagues on the Board, banks and financial institutions, our shareholders, our collaborators, Koyo Seiko Co. Ltd., and most importantly our partner and promoter, Maruti Udyog Ltd.

N.B. This does not purport to be a record of the proceedings of the Annual General Meeting.

at the Karnataka plant.

The carbon black division in its second year of operation has achieved 96 per cent capacity utilisation. Sales volume of carbon black improved by 29 per cent to 18,000 tonnes (13,922 tonnes). Despite stiff competition, the division's sales at Rs.36.46 crore (Rs.26.50 crore) improved by 38 per cent. The capacity of the plant is proposed to be expanded by 10,000 tonnes to reach the minimum economic capacity of 50,000 tpa.

Higher exports by the insulator division stepped up exports by 43 per cent to Rs.29.31 crore (Rs.20.53 crore). Profits fell during the year by Rs.5.96 crore (and the employees' cost was correspondingly higher) due to change in accounting of gratuity liability from cash to accrual basis.

The company is implementing a number of diversification plans. A project to manufacture lightning arrestors will commence operations in mid-1992. Permission has been obtained for a 60,000 tpa plant that will manufacture sweeteners to be used in beverages, biscuits, sweets, confectionery etc. The company also plans to extract 80,000 tpa of magnesia used in the manufacture of refractories for steel furnaces, from sea water. It also plans to extract three million cubic metres of argon gas by recycling the gas released from a plant belonging to the group's company, Indo-Gulf Fertilisers. The various expansion-cum-diversification plans auger well for the company which has bright prospects in the future.

Excel Industries

Dividend hiked by 17 points but bonus deferred; profitability improves despite higher interest, depreciation and tax liability; scrip almost doubles in two months; current year outlook encouraging

Excel is among the few scrips which appreciated by about 90 per cent in just two months and is yet another blue chip for mutual funds investors. The company, in which the Shroffs and the Darbari Seth group have an equal stake improved its working further for the year ended 31 March 1990. A record dividend of 50 per cent was declared but the bonus issue was deferred.

Excel is a leading manufacturer of pesticides and phosphorous. Its operating margins of 18.73 per cent and gross margins of 13.86 per cent are the highest among pesticide manufacturers. A good monsoon in 1989 and a better distribution network fetched a 44 per cent increase in the company's gross sales . Other income (which mainly consists of export incentives) was also higher by 39 per cent.

Operating profit and gross profit appreciated by over 80 per cent despite higher interest and depreciation charges. Tax liability went up by 114 per cent but could not prevent a 93 per cent growth in bottom line, EPS works out to Rs.20 against an annualised EPS of Rs.10.35 during the previous period. Dividend was hiked by 17 points on an annualised basis and yet the company ploughed back 75 per cent (Rs.7 crore) of its profits.

Pesticides account for about 75 per cent of total sales. Its sales volume at 5,500 tonnes (6,754 tonnes) registered a growth of 22 per cent on an annualised basis. Its sales realisation per tonne also improved by 25 per cent resulting in a 52 per cent increase in total sales of pesticides at Rs.67.36 crore (Rs.66.50 crore). Sales of phosphorous and its compounds was higher by 29 per cent at Rs.23.58 crore (Rs.27.43 crore) which was achieved with the help of better sales realisation per tonne of 27 per cent. Exports further improved to Rs.12 crore.

Excel Industries *(Rs crore)*

Year ended	31 Mar '90	31 Mar '89*	% change†
Net sales	99.13	103.19	44
Other income	7.55	8.18	38
Manufacturing expenses	13.96	16.66	25
Raw materials consumed	48.85	49.52	48
Employees' cost	9.27	12.31	13
Other expenses	14.62	16.25	31
Interest	5.19	4.58	70
Depreciation	2.56	2.78	38
Tax	3.00	2.10	114
Net profit	9.23	7.17	93
Equity capital	4.62	4.62	
Reserves and surplus	22.69	16.12	
Borrowings	34.67	18.00	
Net block	22.27	16.09	
Net current assets	33.56	17.45	
Dividend (%)	50.00	50.00	
Market price (Rs.):			
Current	400.00		
1990: High	430.00		
Low	167.00		

** 18 months † annualised*

To meet increased demand the c pany plans expansion of its diethyl late capacity and other phospho derivatives by adding balancing eq ments, de-bottlenecking and impro plant design. In collaboration with I eshiya Industrial Investment Corpora of UP (PICUP), Excel will promote UI cel Ltd to manufacture phosphorous its derivatives.

During the year, addition to the g block totalled Rs.7.70 crore and in ments increased by about Rs.1 crore tails not available in the abridged rep Due to the higher level of inventories and a slow recovery from debtors, company needed an additional Rs.1 crore for its working capital. This pus interest cost up by 70 per cent.

The scrip which was underdiscount few months back, now enjoys a P/E rat 20 times against the pesticide indus average P/E ratio of 15 times. Turn during the first five months (April-gust) of the current year is up by 45 cent and exports up by 25 per cent as c pared to the corresponding period year. With encouraging prospects, company may well consider a liberal nus which is now overdue.

Tamil Nadu Petro

Margins under pressure due to hi unit consumption of normal paraffin stores; plans expansion of capacity b per cent; backward and forward inte tion under implementation

The margins of Tamil Nadu Petro (a j venture of SPIC and TIDCO) was u pressure due to escalation in input c higher amount of stores consumed also due to increase in discounts and c mission charges.

The company is engaged in the ma facture of linear alkyl benzene (LAB) ingredient used in the manufacture o tergents and its byproducts. The plant erated at 119 per cent (91 per cent) o annualised basis and produced 77 tonnes of LAB (34,234 tonnes), it 74,617 tonnes (36,880 tonnes) sho an increase of 21 per cent on an an alised basis. This pushed net sales up b per cent. However, operating margins clined to 28.46 per cent; gross margi 18.48 per cent and net margins to 6.3 cent (7.82 per cent).

Sharp escalation in input costs has margins under pressure. The company

ts its entire requirement of normal affin whose cost per tonne escalated by per cent. The consumption of normal affin for producing one tonne of LAB ubled from 0.14 tonne to 0.29 tonne. st of stores and spare parts consumed ot up by 323 per cent to Rs.5.43 crore s.0.77 crore). The company imports out two-thirds of its total requirement spares.

Profits were also depressed at various els due to higher overhead expenses. pairs to plant and machinery went up 44 per cent on an annualised basis to 3.55 crore (Rs.1.47 crore). Discounts d commissions offered jumped by 72 cent to Rs.18.82 crore (Rs.6.56 crore) d as a percentage to gross sales it was her at 8.1 per cent (6.4 per cent). Inter- and depreciation charges were higher 23 per cent and 18 per cent pectively.

The company made a breakthrough by porting 2,000 tonnes of LAB to China ued at Rs.2.15 crore. It plans to manu- ture special grade LAB for exports. To velop a local market for LAB, the com- ny is encouraging entrepreneurs to set detergent units and also helped KVIC convert its existing soap making units into detergent units. The company's R&D department is analysing special inputs for fuel re-processing, currently imported as a fuel dilutant.

The company plans to expand its LAB capacity by 50 per cent to 90,000 tpa. It also plans backward integration, that is, by setting up a heavy normal paraffin manufacturing plant that is expected to start production soon. The forward integration plans include setting up of SPIC Fine Chemicals Limited to manufacture detergents.

The EPS works out to Rs.2.4 (annualised) against Rs.2.2 in the corresponding period last year. The company declared a 15 per cent (10 per cent annualised) dividend against 10 per cent (13.33 per cent annualised) in the previous period. The pay out ratio works out to around 50 per cent.

amil Nadu Petro *(Rs crore)*

ar ended	31 Mar '90*	31 Mar '89†	% change‡
t sales	204.30	88.86	38
her income	0.74	0.13	241
anufacturing penses	22.14	10.76	23
w materials nsumed	75.30	26.28	72
nployees' cost	3.39	1.23	65
her expenses	20.03	8.39	43
mmission and scount	18.82	6.56	72
ores consumed	5.43	0.77	323
terest	23.39	11.42	23
preciation	25.67	13.04	18
x	2.86	1.70	
t profit	14.78	8.01	11
uity capital	48.75	48.61	
serves and surplus	10.63	3.16	
rrowings	152.62	138.42	
oss block	201.63	176.44	
t current assets	49.39	25.74	
vidend (%)	15	10	
arket price (Rs.):			
Current	53.00		
1990: High	53.00		
Low	25.00		

15 months † 9 months ‡ annualised

Indian Seamless

Dividend up 15 points; excellent results; improved margins; permission to expand capacity received; will tap the capital market

Indian Seamless, a Maharashtra-based low profile company is engaged in the manufacture of seamless hollows and tubes. For the year ended 31 March 1990, the company has turned out excellent results, despite escalation in input costs, higher interest and depreciation charges.

Gross sales at Rs.55.90 crore, compared to Rs.49.70 crore in the previous 15-month period, represents an annualised increase of 41 per cent. Sales volume rose by 10 per cent (annualised) to 16,629 tonnes (18,926 tonnes). Due to better quality products, escalation in input costs was passed on to the customers, as indicated by a 28 per cent improvement in sales realisation per tonne at Rs.33,616 (Rs.26,260). The company has developed new markets for its products that are now used by petrochemicals, refineries pipelines, boilers and high pressure vessels.

Other income was higher due to improved scrap sales. Export incentives however, declined by 50 per cent, on an annualised basis, to Rs.0.79 crore (Rs.1.97 crore). Exports during the year amounted to Rs.1.76 crore. Despite a 44 per cent increase in raw materials costs, profitability at various levels has increased proportionately to sales.

Operating profits went up by 49 per cent to Rs.9.23 crore (Rs.7.74 crore), pushing up operating margins to 15.24 per cent (14.26 per cent). Due to higher interest charges, gross margins were stagnant at 10.8 per cent. Net profit was up by 44 per cent despite higher depreciation and tax liability, improving net margins marginally to 6.91 per cent (6.49 per cent).

Over the past few years, the company has made substantial additions to its gross block for expansion and diversification plans, funded through additional borrowings. This resulted in higher interest and depreciation charges during the year. The project to manufacture cold pilger tubes commenced production in February 1990. This would enable the company to increase its share in the bearing tubes market. The company has received permission to expand its capacity from 30,000 tpa to 50,000 tpa, which would cost Rs.37.50 crore. Meanwhile, it has promoted a new company at a cost of Rs.125 crore to manufacture 150,000 tonnes per annum of special steel.

To finance its expansion plans, the company is introducing a fully convertible debenture issue aggregating Rs.15 crore. Last year, shareholders were rewarded with a 3:4 bonus while the company maintained a 20 per cent dividend during the year under review (dividend in the previous 15-month period was 25 per cent) on the enhanced capital. Thus, dividend is up by 15 points on an annualised pre-bo-

Indian Seamless *(Rs crore)*

Year ended	31 Mar 1990	31 Mar 1989*	% change†
Net sales	55.90	49.70	40
Other income	4.68	4.56	28
Raw material costsd	39.39	34.27	43
Employees' costs	2.07	2.04	27
Other expenses	11.26	11.33	24
Interest	2.71	1.89	79
Depreciation	1.74	1.68	29
Tax	0.73	0.65	44
Net profit	4.05	3.52	43.82
Equity capital	3.86	2.20	
Reserves & surplus	12.92	11.29	
Borrowings	19.38	15.07	
Net block	21.61	19.21	
Dividend (%)	20.00	25.00	
Market price (Rs.)			
Current	138.00		
1990: High	138.00		
Low	80.00		

** 15 months † annualised.*

SOUTH INDIA VISCOSE LIMITED

Regd. & Corporate Office: 1977-A, Trichy Road, Singanallur, COIMBATORE 641 005, India.
Post Box No. 1844 Phone: 37761-64, 34551 Telex: 0855-210 SIV IN

Statement of the Chairman, Shri Pallonji Shapoorji Mistry at the 32nd Annual General Meeting of the Company on 22nd Sept. 1990 at Coimbatore

Ladies and Gentlemen

I have great pleasure in welcoming you all to the 32nd Annual General Meeting of the Company. The Directors' Report and Accounts of the Company have been in your hands for some time and with your permission, I shall take them as read.

THE ECONOMY

Our economy has already registered considerable advances in respect of the growth composition of national income and is poised for a further growth rate of 5.5 to 6 per cent in the next five years. The trends in industrial and agricultural production are encouraging and it is imperative that the measures adopted by the Government for regulating the growth in money supply mainly through curbs on credit expansion should not have an adverse effect. The industries too will be requiring large working capital for maintaining even the same quantum of inventories as their cost has been rising due to changes in administered prices, continuing devaluation of the rupee and heavier indirect taxes.

I would like to quote Prof. Klaus Schwab, President of The World Economic Forum, so aptly remarked in his opening address.

"Our world is now undergoing far-reaching changes. We are witnessing epoch-making upheavals. We must not simply stand on the sidelines anxiously watching this process. We must now start to work out together a global vision, which makes active and positive use of the tremendous historical chance which we have been given. History no longer has room at our level for decision makers who believe it is enough to be an observer. We have our roles to play".

Our country has realised the opportunities for global growth and has therefore introduced several measures of liberalisation. The genesis of liberalisation in the Indian economy can be traced back to the late 1970's. However, it really began to gather momentum in 1980. The net result of liberalisation has stepped up the industrial growth from the target of 8% per annum for the 7th Plan to 9%. It is heartening to note that the present Government has taken several steps to encourage liberalisation and I am sure this will give a big boost to our country's economy. If we are to face international competition, modernisation and technology upgradation must receive the highest priority. I am happy to report that your Company has taken adequate steps in this direction.

EXPORTS

There has been a boom in exports for the third year in succession. But it has not served to reduce noticeably the trade deficit in rupee terms. The new Export-Import Policy is aimed at boosting exports on a scale never before attempted and it is also intended to increase the value of shipments of agricultural products with special attention to value added by increasing the output of process industries. But a rise in exports alone may not bring about a significant drop in the trade gap unless there is a careful scrutiny of imports. The efforts most needed today are those that are directed at substituting bulk imports, for instance by stepping up indigenous production in such areas as edible oils, sugar, fertilizers and petrochemicals. I am glad to inform you that your Company is setting up an Edible Oil Plant with 100 tonnes per day capacity and it is expected to go in production in early 1991.

PERFORMANCE

1989-90 will stand out as a major landmark in the history of your Company. The Company has turned out excellent results and has registered an impressive all-round growth in the year under review. During the year the exports reached a record of Rs. 12 Crores. Exports were mainly to Italy, West Germany, France, Hong Kong and the quality of the product is well accepted in these markets. The Company has increased its production capacity in pulp from 42,000 to 50,000 tonnes per year and in VSF from 40 to 60 tonnes per day. The increased production will be achieved in the current year and barring unforeseen circumstances, the shareholders may look forward to another year of good performance for the company in 1990-91.

EXPANSION/DIVERSIFICATION PLANS

Fresh investments have been planned for the current year for expansion of VSF capacity by further 50 tonnes per day and diversification by setting up an Edible Oil Plant as stated earlier. Proposals for taking over Mico Farm Chemicals Ltd. and IAEC Boilers are in an advanced stage of consideration. We enter 90's with the hope of taking your Company to higher heights.

INNOVATION FOR CORPORATE GROWTH

With growing complexities of the business, innovation is the key issue of modern management as Corporations are facing social and economic changes of unprecedented magnitude and variety which require innovative responses. There is a pressing need for more and more innovation to meet the challenges of growth.

HUMAN RESOURCES DEVELOPMENT

I strongly believe that people are our greatest asset. The success or failure of an enterprise largely depends on the people who man the organisation. Your Company is totally committed to accept implementation of Human Resources Development as a concept for the benefit of the entire organisation.

RAW MATERIALS PRICE

In my last year's statement, I had mentioned that the wood supplied by the Tamil Nadu Government was being subjected to steep hikes in Royalty rates and that too every year. Despite repeated representations, the Governments continues to impose heavy dose of increases in the Royalty rates without any basis or norms, causing severe strain to the Company's finances. It is regrettable that the Government is adopting an unhelpful attitude in the matter without recognising the Company's contribution to the State Exchequer, employment potential etc., and the large resources required for its diversification/expansion projects. It is pertinent to mention here that other Producers of Rayon Grade Pulp in the States of Andhra Pradesh, Himachal Pradesh, Kerala and Karnataka are able to get their requirements of wood at substantially lower prices than those being charged to us by the Tamil Nadu Government. We are thus put in an unfavourable position vis-a-vis our competitors.

I once again appeal to the Government to take a reasonable and practical view in the rates fixation; and evolve a long term policy to enable the Company to plan its Financial Resources.

AGRO-FORESTRY SCHEME

R&D Centres established in Ooty, Kodaikanal and Sirumugai with a view to develop measures to increase the pulpwood yield are making satisfactory progress. Quality seedlings raised in the commercial nurseries are distributed to the farmers for planting. There is encouraging response from the farmers. It should be possible to reduce the crop cycle with the improved seedings.

EFFLUENT TREATMENT

I wish to inform the Shareholders even at the cost of repetition that preservation of the environment and ecology is given the highest priority by your Company. Effluents are treated fully before they are discharged. Your Company has also introduced some built-in pollution control measures in their pulp plant process by installing multiple effect evaporators. This reduces the pollution load in the Effluent stream to a great extent. The treated effluent conforms to the stringent standards set out by the State Pollution Control Board.

ENERGY CONSERVATION

Energy is one of the major inputs/cost of most of the industries and there is a need to monitor such a scarce resource. A number of schemes have been implemented at the factory for conserving energy. This programme is continuing.

ACKNOWLEDGEMENTS

I wish to gratefully acknowledge the valuable support and co-operation received from the Cental Government, State Government, Financial Institutions, Banks, my colleagues on the Board and the Shareholders.

APPRECIATION

I would like to conclude by extending my sincere appreciation and thanks to all employees who have worked hard to take the Company forward.

Note: This does not purport to be a record of the proceedings of the Annual General Meeting.

s capital. Annualised EPS was Rs.12.8 the previous period, which jumped to .18.36 on the pre-bonus capital.
At the current market price of Rs.138 which is also a 1990 high) the present rnings are discounted by about 13 times ainst the industry's average P/E ratio of times.

TRENDS

oss Murarka Finance

ss Murarka Finance engaged in leasing, e purchase, publication and real estate tivities has put up an improved perfor- ance for the 18-month period ended ne 1990.
The company's main raw material is oney, for which it has got its limits ex- nded by Industrial Finance Corporation India (IFCI) to around Rs.3 crore while other Rs.7 crore is raised from various nks. This would be used to set up a new siness division — consumer financing. e real estate division which commenced ring this year has contributed almost .1.50 crore towards income.

oss Murarka Finance *(Rs crore)*

eriod	Jan-Jun '90	Jan-Jun '89	Jan '89 Jun '90
ease & hire purchase ncome	5.95	6.00	16.92
ther income	2.12	2.00	4.60
ublishing & leasing xpenses	0.56	0.34	1.22
dministrative xpenses	0.81	0.72	2.65
perating profit	6.69	6.94	16.92
nterest	2.32	2.00	7.11
ross profit	4.37	4.94	9.81
epreciation	1.62	4.14	4.98
ax	—	0.12	—
et profit	2.75	0.68	4.83

olgate Palmolive

lgate Palmolive has consistently posted od results year after year. The company the market leader in toothpastes with a) per cent market share.
With the company's sales and profits nproving, it has always followed a liberal ayout policy both in terms of dividends id bonus. In fact, 99 per cent of the equity apital of Rs.25.25 crore accounts for the onus component.

Meanwhile, the company is relaunching its 'Extra Care' range of Palmolive toilet soaps. The range is aimed at the upper end of the market and is backed by a new formula developed at the Colgate Research Centre, US.

Colgate Palmolive *(Rs. crore)*

Period	Jan '90-Jun '90	Jan '89-Jun '89	Jan '89-Dec '89
Net sales	140.97	123.77	272.61
Other income	1.09	1.75	4.51
Raw material cost	86.75	75.36	163.85
Salary & wages	3.22	3.07	6.08
Operating profit	28.13	25.41	53.14
Interest	0.03	0.10	0.32
Gross profit	28.10	25.31	52.72
Depreciation	0.64	0.49	1.00
Tax	13.09	12.81	26.66
Net profit	14.37	12.01	25.06
OP/Net sales (%)	19.95	20.53	19.49
RM/Net sales (%)	61.54	60.88	60.10

RESULTS ANNOUNCED

Wall Street Finance

The Patel group's Wall Street Finance has made new headway in Madras since it opened its office there. For the year ended June 1990, the company's gross income crossed Rs.1.65 crore with net profit of Rs.30.34 lakh. The company has to date more than Rs.2 crore lease assets and stock on hire exceeds Rs.2.5 crore.

Madras too can now avail of the unique facility offered by the group at its other centres. The Patel Institute of Transport Management will provide the academic infrastructure and impart training while Wall Street will provide the finance for truck acquisition. Patel Roadways in its turn will ensure business.

TOMCO

The Tata Oil Mills Company Ltd (TOMCO), which fared very well during the year ending March 1990, continues its winning streak. In the last one year, sales increased by 18 per cent to Rs.335.33 crore. Gross profits, however, increased by a whopping 111 per cent to Rs.10.55 crore. The good performance has been sustained. In the first quarter of this financial year (March to June 1990), the profitability was 20 per cent more than in the corresponding period last year.

TOMCO recently received the consent of the Controller of Capital Issues for a bonus issue and a rights partly convertible debenture (PCD) issue. For the bonus issue in the ratio of 1:5, the company has been allowed capitalisation of Rs.1.62 crore from the total reserves of Rs.24.21 crore. This is done to change the present face value of each of the equity shares from Rs.25 to Rs.30, hence there will be no corresponding increases in the number of shares. After capitalisation, the company will further sub-divide each of these shares of Rs.30 into three equity shares with a face value of Rs.10 each, thus saving the shareholder of the odd lot problems.

The 12.5 per cent secured PCD, totally aggregating Rs.41.86 crore on rights basis, will be used for TOMCO's various expansions and diversifications (see Corporate Report on TOMCO, *Business India*, 6 August 1990).

Existing shareholders will be eligible to one debenture for every five shares of Rs.10 each after the proposed bonus issue and sub-division. These debentures will have a face value of Rs.200 each, of which Rs.125 will be automatically converted into five equity shares of Rs.10 each at a premium of Rs.15 per share at the end of 12 months from the date of allotment. The balance amount of Rs.75, the non-convertible portion, shall be redeemed at the expiry of eight years from the date of allotment.

Parasrampuria Synthetics

Parasrampuria Synthetics based in Rajasthan has churned out good working results for the year ended March 1990 with a turnover of Rs.65.58 crore. After providing for depreciation and taxation the net profit works out to Rs.6.28 crore accounting for an earnings per share of Rs.8.10.

The company has drawn up expansion plans involving a cost of Rs.48 crore. After completion of this, the spinning capacity will increase to 11,250 tpa. Besides, the company will also have its own polycondensation plant for the manufacture of 7,500 tpa of yarn grade polyester chips for captive consumption. Subsequently, the company plans to increase its spinning capacity by another 3,750 tpa with matching polycondensation facility, to be completed by 1993.

For the five months of the current year, the company has already clocked a turnover of Rs.43.05 crore.

pacl Punjab Alkalies & Chemicals Limited



SPEECH OF THE CHAIRMAN SHRI T.K.A. NAIR, FINANCIAL COMMISSIONER AND SECRETARY TO GOVERNMENT, PUNJAB, DEPARTMENT OF INDUSTRIES, AT THE 15TH ANNUAL GENERAL MEETING HELD ON 20TH SEPTEMBER, 1990.

Ladies & Gentlemen,

As I have been associated with your Company for quite some time in the past and I have had the privilege of being its Chairman from end 1980 to mid 1984, it gives me great pleasure indeed to be with you today to welcome you at our 15th Annual General Meeting.

You have had the Annual Accounts and Directors' Report with you for some time and I am sure you would have got a fair account of the performance of your Company.

IMPROVED PERFORMANCE AND BETTER RESULTS

Though Punjab has been passing through extremely difficult times, as you would have noted from the Directors' Report, your Company registered excellent results for the year ending 31st March, 1990. Gross Profits of Rs. 12.29 crores denote a quantum jump of nearly 40% over the previous year's Rs. 8.8 crores on an annualised basis. Gross Sales at Rs. 36.92 crores mark an increase of over 50%. Consequent Operational Profits of Rs. 5.13 crores have not only helped your Company to wipe out the previous accumulated losses but also generate net surplus which would have been up atleast, by Rs. 2.75 crores but for the 37% power hike imposed by the Punjab State Electricity Board in April, 1989. Significantly, net surplus is available after providing Rs. 92.94 lacs towards adjustments on account of exchange rate fluctuations of foreign currency loans.

MAIDEN DIVIDEND

The Directors are happy to recommend a maiden dividend of 12-1/2 percent on the equity shares. We are indeed grateful to you for the confidence and trust you reposed in us and for having patiently waited long for this day. As you are aware, we have attained this achievement after years of struggle and hardship. The Company had to battle against adversity-depressed market flooded with imported material; problems posed by transportation of major raw material, the industrial salt, from far-off Saurashtra; severe competition imposed by other entrenched manufacturers of long standing and several other jolts which rocked the Company from time to time. The perseverance and resilience shown by your Company in overcoming these challenges, I believe, fully deserves our appreciation and commendation. This also vindicates the decision of the PSIDC to promote your Company in Punjab inspite of the obvious locational disadvantages.

CHLOR-ALKALI-THE NATIONAL SCENARIO

The upward trend in the demand of Caustic Soda, consequent on the improvement in the general industrial climate in the country, still continues. Total production during 1989-90 touched 9.55 lacs tonnes as against 8.77 lacs tonnes during the previous year. This upswing is likely to continue in the coming years in tune with the levels of activity in the consuming industries. The situation is in sharp contrast with what it was in the mid-eighties when the industry was plagued by slackness in demand, further accentuated by comparatively large imports. The industry deserves to be complimented, since now, it has even started exporting Caustic Soda.

Against this background you will be glad to note that the average plant capacity utilisation of your Company at 108% compares extremely favourably with the national average of 75.8%. You are aware that this was made possible only by the imaginative long term strategic planning. Measures like setting up of downstream units for Chlorine and Hydrogen utilisation and Caustic Flaking Unit for greater flexibility of product-mix have provided your Company competitive edge, essential for survival and growth.

FUTURE OUTLOOK

During the period 1988-90, your Company's main endeavour was to consolidate iteself and maximise the utilisation of its installed capacity. These efforts have paid dividends and capacity utilisation has gone up from 98.6% in 1988-89 to 121% in 1989-90 as per the original licenced capacity. You would recall the promise made last year that capacity utilisation would be raised by 15% in 1989-90 over the corresponding 98.6% in 1988-89. You will be pleased to know that the actual increase has been 23% against the promised 15%. Based on the performance of your Company Government of India h accorded permission to increase its licenced capacity of Caustic Soda from 33000 T to 40730 TPA under the Automatic Growth Scheme. Today, your Company implementing a capacity optimisation project through the installation of balanc equipments at a cost of Rs. 11.20 crores, which is likely to be completed during the quarter of 1991. The current year 1990-91 began on a happy note with tentative profit for the first quarter touching Rs. 1.44 crores as against Rs. 85 lacs for corresponding period in 1989-90. The prospects of the future appear to be qu encouraging.

On the technology front you are aware that mercury cell technology, the world over giving way to membrane cell technology. You will be glad to know that your Compa has already applied for a licence for the installation of another 100 TPD Caustic So plant based on membrane technology, at an estimated cost of Rs. 50 crores.

As your Company is committed to promote industralisation in the State of Punjab it h actively engaged itself in the promotion of downstream industrial units consum Chlorine and Hydrogen, which are its by-products. Now the emphasis is on putting directly or through PSIDC, high-value added projects like Hydrogen Peroxide, H Test Hypochlorite, Ethylene-Dichloride, Epichlorohydrin and Synthetic Glycerine. To estimated capital investment for the proposed diversification projects and the 100 T membrane cell plant is over Rs. 150 crores.

ENERGY CONSERVATION AND ENVIRONMENTAL PROTECTION - A COMMITMENT

You are aware that power is one of the major raw materials for production of Caus Soda. Your Company has pursued vigourously for reducing the consumption of t precious and costly national resource. We invested Rs. 520 lacs for the change-o from Graphite Anodes to Metal Anodes and installation of ACPD System leading power saving of over 10%. Pursuant to its commitment for energy conservation, y Company commissioned an Energy Audit to identify areas for further saving in ene consumption. Persistent systematic measures have helped your Company to succe in this direction. Your Company has also been taking all possible steps to con environmental pollution under the overall supervision and guidance of the St Pollution Control Board.

ACKNOWLEDGEMENTS

Your Company owes its operational success largely to the dedicated team work of professional Managers and other employees. Permit me to convey on your behalf sincere appreciaiton and gratitude to them for their unstinted efforts and relentle pursuit of our corporate goals under the very able leadership of our Managing Direct Shri Ashok Dubey.

At this point of time I would also like to express my gratitude to the Government Punjab, the PSIDC, the PSEB, the IDBI, the IFCI, the ICICI and our bankers - Punj National Bank and Indian Bank, for their cooperation and support. I am also grateful my colleagues on the Board for their wise counsel, guidance and cooperation. I me also take this opportunity to express our appreciation of the excellent support a guidance provided by my predecessor, Shri A.K. Kundra.

Above all, I thank you, our esteemed Shareholders, for your unstinted support to t management in its endeavours to cope with the challenges facing the company and your understanding cooperation over the years.

Ladies and Gentlemen, before I conclude, I once again welcome you and thank you your presence and valuable participation.

This does not purport to be a report of the proceedings at the Annual General Meeti

rakash Tubes

akash Tubes has stepped up dividend by ee points to 24 per cent for the year ded March 1990. Turnover too has in-ased by 14 per cent to Rs.81.56 crore. er providing for depreciation and tax-on, profit was up by 26 per cent to 3.23 crore. As a result, reserves and rplus went up to Rs.13.48 crore against equity capital of Rs.3.51 crore. The com-ny's modernisation cum expansion ogramme in the lighting division at Ka-pur is scheduled to be completed by ril 1991. This involves an outlay of 12 crore for increasing the capacity of ss shells for fluorescent tube lamps to million and glass shells for GLS lamps 78 million.

The working of the first five months of e current year shows an encouraging nd with turnover pegged at Rs.41.64 re as against Rs.31.20 crore achieved in e corresponding period last year.

IN BRIEF

L. Finance Investment has entered o an alliance with the north-based rldlink Finance. The two companies l share their management services and pertise for mutual benefit.

ahavir Spinning Mills has recom-ended a bonus issue in the ratio of 2:5 d a dividend of 32 per cent. The com-ny's total expansion schemes for the xt three years is estimated to be around .175 crore.

K. Industrial and Mineral Products a olly owned subsidiary of J.K. Synthetics s entered into a collaboration with the nish company, Thomas Schmidt A/S r importing pre-fabricated technology large panel construction.

runa Agro Proteins has plans to in-ease its processing capacity of soya-ans to 300 tpa by 1991-92.

e Electronics has tied up with Canon Japan. The company has added vac-um cleaners to its household ap-ances range.

dian Card Clothing has announced an erim dividend of 20 per cent for the cur-nt year ending March 1991. Last year, e total dividend was 30 per cent.

irroughs Wellcome has launched a new ti-viral drug — Zovirax, an active and ast toxic agent to treat herpes.

ata — Yodogawa has entered into a technical collaboration with Eisenwerk Sulzau — Werfen, Austria for introducing state-of-the-art poured rolls.

Jain Irrigation Systems is setting up a 100 per cent EOU for the processing and export of plastic extruded, injection moulded, assembled and fabricated products.

Asian Electronics has returned to the dividend list after a lapse of 15 years, with a declaration of 10 per cent dividend for the 15-month ended March 1990.

Comet Steel has received CCI's consent to issue 14 per cent convertible debentures of Rs.300 each, aggregating Rs.5.82 crore on a rights basis.

Nagarjuna Fertilisers and Chemicals (NFCL) , the first gas-based fertiliser plant in southern India has entered into a contract with GAIL for the supply of natural gas. NFCL is thus assured a supply of 1.3 million cubic metres of gas per day for 11 years.

Star Volkmann has plans to expand the installed capacity of its two-for-one twisters by 80 to 180 machines per year. The company's collaborators — Volkmann GmbH have now been integrated into Saurer holding.

Tata Tea has received CCI's consent for the issue of shares to shareholders of Consolidated Coffee who had offered to sell their holding to Tata Tea in terms of the open offer made by Tata Tea last year.

SKF has introduced a programme called "Bearing Plus". This involves designing and supply of bearing handling tools and matching accessories to curb bearing failures. The company plans to increase its ball and roller bearing capacity to 22 million numbers.

Alpine Solvex is offering equity shares on a 1:2 rights basis aggregating Rs.98 lakh. For the year ended March 1990, the company has posted a net profit of Rs.72 lakh on a turnover of Rs.25 crore.



The State of Essen's Art...

O.E.M. Supplier to:

HCL, Wipro, Uptron,
Hinditron, OMC,
Digital, Sterling,
Blue Star, Godrej...

Collaborators:

C-ITOH, Samsung,
TOEI, Emulex,
Faraday...



As you can see, the company, or
ther the Companies you keep, it
atters. Especially when you are
lking 'state-of-the-art'. It means a
onstant emphasis on priorities :
uality, continual product devel-
oment, and of course an in
epth understanding of customer
eeds. We've nurtured this, over
) years now, building a
tally integrated manufacturing
apability, linking with the most
progressive international names, and fostering confidence as supplier to India's biggest computer names.

So, why ESSEN could mean so much to you henceforth, is essentially because...

WE MAKE EVERYTHING...

Under one truly hi-tech roof. Small components to final systems. Painstakingly manufactured with simply the finest equipment. Result : 'zero-defect' products.

FOR ALMOST EVERYONE.

You've seen the names - India's biggest, most respected. To top it, quality biased set-ups like BHEL, L&T Group, Dept. of Space, Ministry of Defence, Bajaj Auto, all form part of our customer list.

INTERNATIONAL CONNECTIONS.

C-ITOH, Faraday, TOEI, Samsung, Emulex... all internationally acclaimed. All ESSEN'S collaborators. Keeping ESSEN at the cutting edge of computer technology.

YOU WANT IT? WE'VE GOT IT.

From PC's to Advanced Computer Systems. Tomorrow's VMX (Voice Message Exchange). And the latest breakthrough - Parallel Processing! Only from ESSEN.

And what's most reassuring is, we know what a relationship means. With our people, to make the best possible product. And you, to give you what you need, right through your computer's life span. Support.

SNP

ESSEN COMPUTERS LTD.
Gandhinagar 382 015, Gujarat.
Phone : 21606, 21607, 21608, 21609, 21611.
Telex: 120-3226 ESSN IN
Fax: (91-2712) 21612.

ESSEN
COMPUTERS

INTEGRAL. INDISPENSABLE. THE VERY ESSENCE.

FOR INSTANT INFORMATION TELEPHONE : Bangalore : 217004. **Baroda :** 0175-511 (Telex). **Bombay :** 6344326, 6327805, 6345495. **Delhi :** 5710853. **Madras :** 474965. **Pune :** 661898. **Secunderabad :** 821321.

Interact.EC 334 B

Ramada® Inn Palm Grove



The spirit of business!

Sacramento to Singapore. San Die
to Sydney. San Fransisco to Seoul.

5-star all the way!

As friendly as home

Businessmen choose Ramada Inn
Grove not just because of our stat
but also because of our style of ser

Our people treat our guests as if t
were their guests – which, in a wa
they are.

By being friendly, not formal. Solici
but not embarrassingly so. Attenti
but never intrusive.

It takes practice, but we have it.

And our happy guests confirm it.

All you want a hotel to be

We have 113 twin and double bedrooms. Five spacious suites. A 24-hour coffee shop. A spiffy restaurant offering Indian, Chinese Continental fare. And a bar too!

We also offer a swimming pool, a health club, a shopping centre, a business centre.

Yes, we're geared to help you han your business better. It's the kind spirit we're sure you're looking fo

As 5-star as Ramada

Ramada Inn Palm Grove is a Palm Grove-Ramada tie-up.

It gives the business sophisticate an opportunity to experience that classy sauvity which has made Ramada what it is today.

The world's third largest hotelier. With a chain of hotels stretching from



RAMADA® INN PALM GROVE
BOMBAY

Juhu Beach, Bombay 400 049. Tel: 6149361 Fax: 9122-6142105 Tlx: 011-71419 PALM IN Cable: PALMFRONDS Bom
Telephone Numbers of Sales Offices: Delhi: 519827, Madras: 474942, Ahmedabad: 403564, Bangalore: 568085

You're somebody special at
RAMADA
S, HOTELS AND RENAISSANCE HOTELS WORLDWIDE

Dattaram-R

gritech Hatcheries & oods

ritech Hatcheries & Foods Limited is a v company being promoted by the manias. The company is going to imple- nt a project for production of 26 lakh ilers per annum using the latest hy- nic production techniques adopted by st advanced countries.

The Agritech project, costing Rs.9.80 re will bring, under a single roof, the ire series of operations ranging from ching to marketing of packed broilers. this, it has imported a sophisticated cessing plant from Meyn chinefabrik BV of Holland. These chines will automatically and hy- nically cut, clean and pack broilers — a birds an hour. Cost reduction and ue addition are the project's prime ls.

The outlay includes a hatchery with 000 breeding stock expected to pro- ce 50,000 chickens per week, eight iler farms with a capacity of 50,000 ds each and centralised feed mill ing a capacity of 210 tonnes per week. n order to convert the poultry offal and ste which is around 30 per cent of the ght of a bird into high protein meal and d, Agritech will import a rendering nt. This plant will cook the offal and nd it into powder. The project cost also ludes a fleet of refrigerated trucks to nsport the birds to retail outlets.

The Indian poultry industry is growing

gritech Hatcheries & Foods	
ue opens	: 29 October 1990
e of the issue	: Rs.1.43 crore
strument	: Equity shares of Rs.10 each for cash at par
omoter	: Damania family
oject	: To produce 26 lakh broilers per annum
st of project	: Rs.9.80 crore
ant location	: Ahmednagar, Maharashtra

a rate of 30 per cent per annum. Accord- to the poultry industry year book 1990, iler production should increase six- d between 1988 and the turn of the cen- y, to meet the minimum nutritional re- irements of the country. For the first ar (1991-92) of operation, the company l achieve 85 per cent capacity utilisa- n clocking a turnover of Rs.7.50 crore h a pre-tax profit of Rs.2 crore. The plant is expected to go on stream by April 1991.

Ind Jyothi

Indian Bank Mutual Fund (IBMF), set up by Indian Bank in 1989, has so far launched three schemes. The net asset value (based on unaudited figures) of two of them are — Ind Ratna, Rs.150 and Swarna Pushpa, Rs.120. Ind Jyothi will be the fourth scheme offered to the public in less than ten months of IBMF's operation. This scheme offers an incremental income with an assured return.

Also there are two options — the investor either receives an assured minimum return annually which ranges from 12.75 per cent, in the first year, to 15.25 per cent by the seventh year; or he can opt for cumulative units, where the value of the investment appreciates in proportion to the minimum assured returns, year after year. According to S.M. Subramanian, president, IBMF, the assured rate is minimum but the actual return may be higher as this is based upon the investment made in the first year.

Ind Jyothi	
Issue opens	: 1 October 1990
Issue closes	: 30 November 1990
Size of the issue	: Targeted for Rs.200 crore
Instrument	: Redeemable non-debt security of face value of Rs.100 per unit for cash at par.
Promoter	: Indian Bank Mutual Fund

IBMF will invest the amount in the stockmarket, the short term money market and in fixed income securities. "The ratio will depend on the investor response — how many opt for the 'A' plan and how many for the 'B' plan," explains Subramanian.

To ensure liquidity, IBMF plans to list the units on the Bombay Stock Exchange, one year after allotment. Besides this, a repurchase facility will be allowed after April 1995, the details of which have yet to be worked out. "The repurchase price, based on the net asset value, will be announced from time to time," says Subramanian. However, the total ceiling amount per year for repurchase will be restricted to 20 per cent of the amount subscribed.

Lakshmi Synthetic Machinery

Lakshmi Synthetic Machinery Manufacturers (LSMM) is the latest venture of Lakshmi Companies, Coimbatore. In this project, the technical collaborators will have a 30 per cent stake of Rs.1.20 crore.

Lakshmi Synthetic	
Issue opens	: 22 October 1990
Size of the issue	: Rs.1.35 crore
To Indian public	: Rs.1.14 crore
Instrument	: Equity shares of Rs.10 each
Promoter	: Lakshmi Companies, Coimbatore
Technical collaborator	: Barmag AG, West Germany
Project	: Setting up a plant for the manufacture of synthetic textile and packaging machinery.
Cost of project	: Rs.12.00 crore
Plant location	: Nallattipalayam, Coimbatore
Listing	: Madras, Bombay

Lakshmi Companies which, until now, was engaged in the manufacture of spinning and weaving machinery for cotton textiles, will soon manufacture synthetic textile machinery with LSMM, expected to commence production by April 1991.

LSMM plans to manufacture six spinning lines per annum, from extruders to take-up winders, for synthetic filament yarn. It also plans to manufacture 20 draw texturising machines and 60 two-for-one-twisters for filament yarn (both of single and double deck type). The company's packaging machinery will be of the monolayer and multilayer blown film line. Both the spinning line and the five-layer blown film line will be manufactured for the first time in India. Till now these machines were imported.

Under the collaboration agreement, LSMM will pay a technical knowhow fee of DM 1.39 million in three instalments (subject to exchange rate in rupee value terms, this could go up). In addition, a 5 per cent royalty will be paid on domestic sales, while 7 per cent will be paid on exports for a period of five years.

So far the company's collaborators sold their products in India through Bimag Machines of Bombay. LSMM will use the same marketing arrangement.

Where a human 'alloy
experience is proving



Sobhagya/203/90

reativity, expertise and ettle

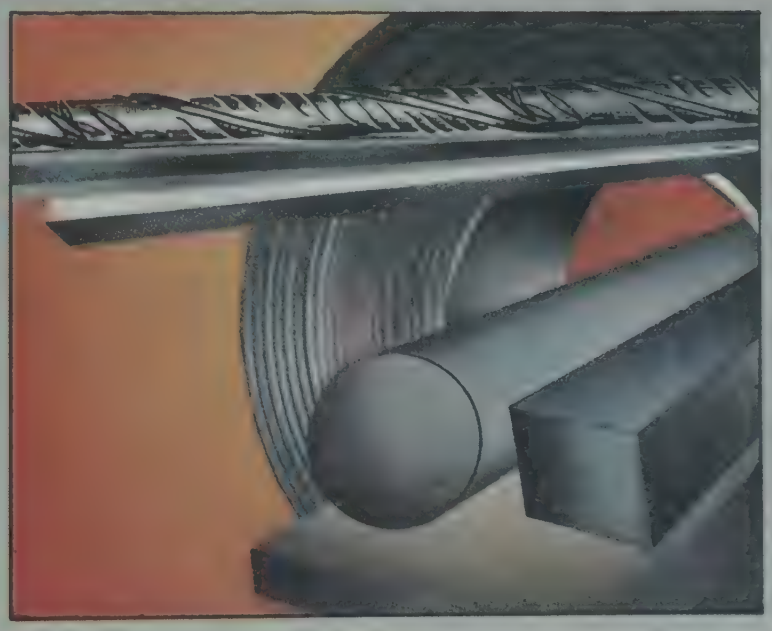
It takes men of steel to steel a nation.

A country like India needs a backbone of steel if it is to achieve Super Power Status by the 21st century.

And its steelmakers have to be more than mere manufacturers. They have to be as hardworking, excellent and creative as the metal itself.

Like an organisation called **Rathi Alloys who pioneered a number of innovations for the betterment of the steel Industry.**

Like, for example, the development of a process which involved the reduction of the nickel content in stainless steel, thereby saving the country several crores of Rupees. A process in use in developed countries like the United States.



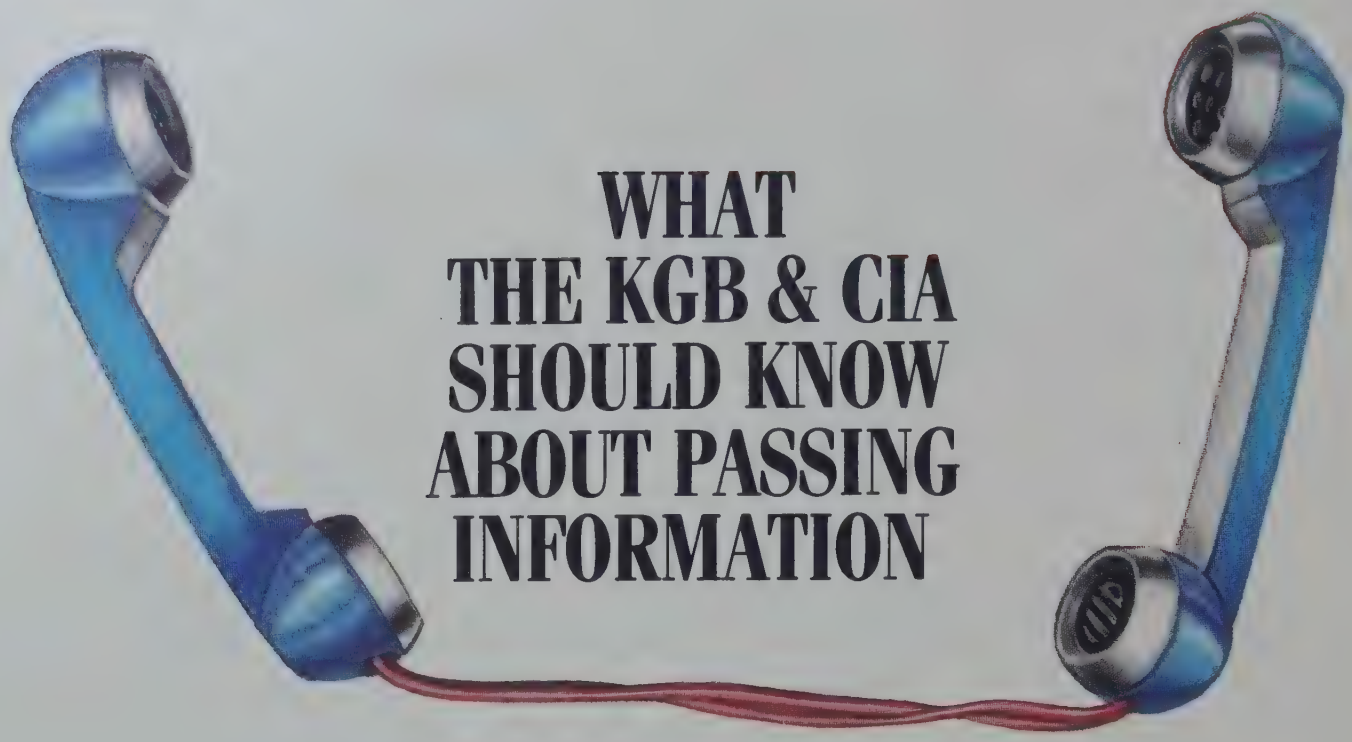
People whose mettle is being tempered in the fires of the furnaces as well. The human alloy called **Rathi Alloys.**



RATHI ALLOYS & STEEL LTD

Striving To Excel

TARGET MARKETING BY SUNDAY MAIL



WHAT THE KGB & CIA SHOULD KNOW ABOUT PASSING INFORMATION

SUNDAY MAIL ENSURES A NO-LEAKAGE, NO-SPILLOVER METRO COVERAGE

It provides an absolutely watertight connection to all the 4 metros: Delhi, Bombay, Calcutta and Madras.

Because Sunday Mail has the unique distinction of being the first and only newspaper to be published simultaneously from these metros.

SUNDAY MAIL'S OBVIOUS COST EFFECTIVENESS

Yes, it's to the 4 great urban centres that Sunday Mail offers a rich concentrated reach. At the most cost effective rate. Recording 75% retentive circulation.

SUNDAY MAIL'S UNIQUE PACKAGE

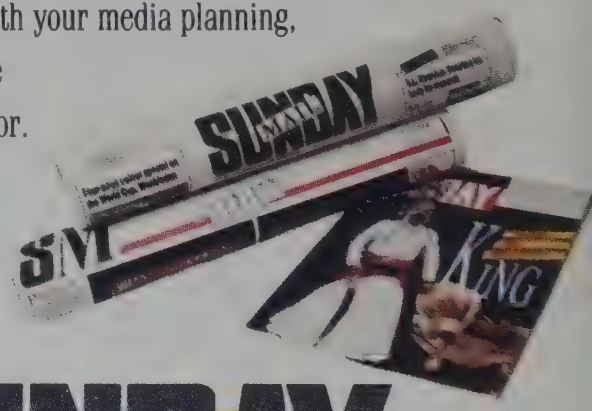
Here is an irresistible advertising vehicle that taps your target audience in all the 4 cities. Leaving no gaps, no spillovers.

A combine that is meticulously put together. To grab the attention of the entire family.

A package that offers you the remarkable advertising platform of

- A 12 page Newspaper Broadsheet
- A 4 page Glossy Supplement
- A 48 page Colour Magazine

So the next time you seek to plug the leaks in target marketing with your media planning, strike out the spillover factor. With Sunday Mail.



SUNDAY MAIL

INCORPORATING COLOUR MAGAZINE

MAKE THE MOST OF A SUNDAY

FOR DETAILS CONTACT THE MARKETING DEPARTMENT AT –

DELHI: C-43, NEETI BAGH, NEW DELHI-110049 TEL: 663243, 652916, 652923 TLX: 031-73259 MAIL-IN, FAX: 6862017
BOMBAY: IST FLOOR, KUSHESH MANSION, 48/54, JANMABHOOMI MARG, FORT, BOMBAY-400001 TEL: 2047938, 233593, 225713 TLX: 011-83391 MAIL IN FAX: 2047111
CALCUTTA: FLAT NO. 5 & 6, CHITRAKOOT BUILDING, IIND FLOOR, 230-A, A.J.C. BOSE ROAD, CALCUTTA-700 020 TEL: 433247, 441017 TLX: 021-4918 GHCL IN
MADRAS: 204-C, SHIVALAYA BUILDING, COMMANDER-IN-CHIEF ROAD, MADRAS-600105 TEL: 471091, TLX: 041-6780 MAIL IN,FAX: 477886.
BANGALORE: KALPAK ARCADE, CHURCH STREET, BANGALORE-560001 TEL: 578634

CKMARKET REVIEW

faltering fortnight

or the fortnight 24 September to ctober 1990)

E Sensitive Index on 6 October = 26.90 (+ 2.7 per cent)

E National Index on 6 October = 3.68 (+ 1.8 per cent)

E Daily Turnover = Rs.161.84 crore 37.6 per cent)

hough both the market indices ched record highs during the fortnight, re was also evidence that the market ered. For the first time since the boom an, a rise in the index was not matched a corresponding rise in speculative ps. Of the 80 scrips that make up the ward list on the Bombay Stock Exnge, 17 rose in price, 5 were unchanged 58 fell. Some, like Gujarat Ambuja Cent, fell sharply (*see table*). A similar, ough less extensive, decline marked h shares in Bombay and scrips on the er exchanges.

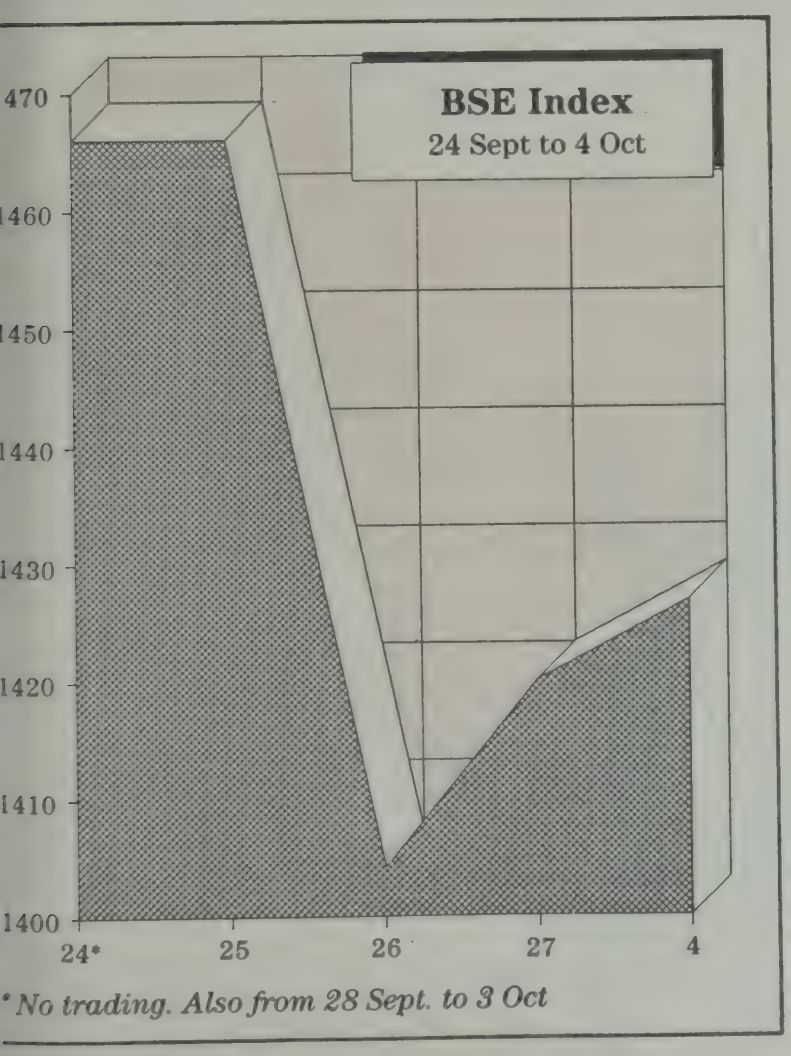
ange behaviour. The reasons for this parently unrepresentative behaviour e primarily: an old scrip, Reliance, and ew one, Tata Steel. Reliance's rise by 9 to Rs.198.50 added about 3 points to Sensitive Index, while Tata Steel's Rs.41.50 rise to Rs.226.50 added a further 20 points. Since these two shares were heavily invested in, investors were largely well protected from the falls in the other shares.

Shares which dropped by more than 10 per cent in a fortnight

Company	Price on 21 Sept.	Price on 6 Oct.	% change
Guj. Amb. Cem.	117.50	105.00	10.6
ICI	67.50	60.00	11.2
Modi Rubber	95.00	85.00	10.5
Zuari	85.00	70.00	17.7

Those who suffered were the ones with few Reliance and Tata Steel shares in hand and, in particular, groups that had short-sold these shares. However, no significant short-sales in Reliance was reported. Thanks to a two-month-old rumour that the price was to be ramped to Rs.250, speculators stayed away from short-selling the share and are likely to enter only after the upcoming rights issue (predicted in 'Stockmarket Review' two months earlier) is announced. Hence, its price has risen sharply on a relatively low volume of Rs.10 crore a day. This volume should be compared with Rs.40 crore a day for ACC during the period of its jump from Rs.500 to Rs.800 between June and July this year.

Market sources reported a turmoil-in-the-making for Tata Steel. An important broker-speculator has, reportedly, gone short to the extent of 2,000,000 shares in this scrip at an average price of Rs.150 per share. Competing with him is a mutual fund that is the most active among all such funds these days. The reported short-seller, however, denied such a large scale involvement of shares that were short-sold while the mutual fund's purchases — though on a limited scale — were confirmed. Turnover figures of Tata Steel indicate that an average volume of Rs.7 crore a day have been traded since July; this suggests that market rumours were probably overstating the case.



** No trading. Also from 28 Sept. to 3 Oct*

Procter & Gamble was taking a chance when it announced poorer than expected results last month for the fiscal year ended 30 June, 1990. The scrip which had crossed Rs.350 in mid September fell to Rs.280 after its results were announced and closed the fortnight at Rs.320. An interesting aspect of its annual report is that the directors' report attributes the 36 per cent decline (to Rs.5.08 crore) in pre-tax profits to expenditure incurred in major new business and new products. In other words, the directors' view, the poor results of the past year as good news for the future. Such an unusual interpretation — that bad news is actually good news — requires verification.

Revenue factor .It may be that the increased expenditure on account of depreciation or advertising are the cause of low profits. However, a look at its accounts show that all major heads of expenditure, including raw materials, advertising and depreciation, increased in line with the rise in turnover, i.e., by 15 per cent. The decline in profits was, in fact, almost entirely due to a decrease in the closing stock of finished goods, i.e., a revenue factor rather than a cost factor. All this suggests that shareholders at the 26 October AGM ought to be able — given their raucous behaviour at some other AGMs this year — to give their directors an exciting session.

The market remained strong in kerb sessions. Having discounted good news to its limit and beyond, it continues to disregard all the bad news completely as well — tight money markets, high oil prices and a volatile political situation. Perhaps it is the latitude of the earth which is to be considered for stockmarket levels. After all, the only other country whose stockmarkets are booming these days is the only one which is 100 per cent dependent on Iraq for its oil imports, over 50 per cent dependent on it for its major item of exports (tea) and had a large contingent of workers in Kuwait. Yes, you guessed right, it is Sri Lanka.

■ RAFIQ DOSSANI

PRIME

Offers a public issue monitor

Praxis Consulting and Information Services, a Delhi-based consultancy firm

headed by Prithvi Haldea, has offered for the first time in India a database 'Prime' priced at Rs.2,500 per set covering all public issues made in the capital maket.

Prime was started in April 1989 and in its second year of operation, data on 187 public issues entering the capital market during the year 1989-90 were released. This data is compiled in two parts in Prime's annual report. The first part features the basic analysis on various aspects of public issues like the type of instruments issued by companies, preferential allotments, underwriting patterns, mutual funds participation, NRI issues, industry-wise listing of companies, issues handled by merchant bankers, banker's ratings of public issues and the ranking by registrars as well as by advertising agencies.

Analysis of public issues. In the second part which covers the response analysis, the report is divided into four sections. In the first section, information pertaining to public issues made to the Indian public has been analysed on the basis of parameters like size of issue, type of instrument, industry, state mutual fund participation, foreign, financial and technical collaboration, underwriting and the month of issue. In the second section, information on public issues made to NRIs has been analysed on the same parameters. Other details like ranking of issues, on the basis of number of applications received, average shares per application and number of allottees have also been compiled.

The third and fourth sections of the report, makes an effort to judge the geographical response pattern to the public issues and rating of other organisations associated with marketing the public issues. As far as geographical response is concerned, information pertaining to public issues has been analysed on the basis of state and city responses.

The fourth section deals with the performance evaluation of three key players in the primary capital market, namely banks, registrars and stockbrokers. The ranking of performances has been compiled for local as well as NRI issues. The above data on the primary capital market would be of immense use to merchant bankers, brokers, advertising agencies, financial institutions, registrar to public issues as well as listed companies who are interested in announcing proposed capital issues. Other end users like market research agencies, will also find good use for this data related to the primary market.

■ AVINASH GORAKSHAKAR

MALCO

Much ado about speculation

In the scenario of rising share prices, it is not the better run companies which always attract attention. Sometimes, buyers zoom in on a most unlikely scrip. The Madras Aluminium Company Limited (MALCO) is one such.

This Madras-based company came under the purview of the BIFR in 1985 when it recorded a 50 per cent erosion in both capital and net worth. Its accumulated losses on 31 March 1990 were Rs.13.30 crore. Regardless, the price of the Rs.100 share zoomed upwards. From Rs. 31 July, its price rose to Rs.740 on gust, reached a high of Rs.825 on tember and currently rules at Rs.420. Although interest in the sc waned subsequently, even co sources admit that the prices are u tic. "Given its intrinsic value, pri rule at around Rs.200," they main

Pure speculation. Though, in retr it appears that this interest was speculative and that MALCO is stance of misguided buyer- intere rise in prices triggered off rumou possible takeover. N. Srinivasan, ing director of India Cements Limi cited as an interested party. Thoug nied any interest in buying the co sources in MALCO itself were not co able with the turn of events. "An ested party could be building up a s holding before approaching the B stake their claim," maintained M insiders.

For the aluminium industry, ho the prospects have been good. Alum has been in short supply periodica now with the decontrol of alumini digenous production is expected crease to 450,000 tonnes again estimated annual demand of 4 tonnes. This explains the interest chasing the shares of the other pro of aluminium like Hindalco and Aluminium.

MALCO however, is not in the league as these companies. Given current power shortages in Tamil the company has opted to concentr the manufacture of alumina — an mediate product. In fact, its revis posal to the BIFR is based on pl increase its alumina production ca to 60,000 tpa from the current 40,0 MALCO still has to settle power with the Tamil Nadu State Elec Board for which the hearing before preme Court is scheduled for Dec Until this problem is sorted out, M cannot emerge as a major producer minium. The portents for the compa therefore not too encouraging.

However, the MALCO episode pr an insight into the insecurity of m ments in the existing market conc Given the company's shareholdin tern, a takeover would not have bee The Madras-based KCP Limited a P.R. Ramakrishna group hold 20 pe of the equity, the Italian collabo hold 26.67 per cent, the Tamil Nadu trial Investment Corporation



MALCO: catching buyers' attention

6 per cent, and the public, 36 per cent. pite this complex equity pattern, it is rising that the rising prices of scrips the impression of a possible takeover on the management and they were left ing for a corporate raider.

DHARANI K. PANI

aking selling sier



counter: solving odd lot holders' difficulties

Unit Trust of India (UTI) has devised introduced a unique scheme for odd shares and debenture holders from 1 ober this year. Since it is difficult to sell lots, they are usually sold at a price ch lower than the ruling market price. y often odd lot holders are unable to a price which is even 10 per cent below market quotations.

r exchange. The fair exchange compot in the scheme is likely to solve the ficulties of the odd lot holders. Says a kesman of the UTI, "The trust will take the problems of selling odd lot shares d, in exchange, the shareholder can ail of any of the unit trust schemes. The of scrips that can be exchanged will be ised on a weekly basis. Depending upon ce fluctuations scrips will be added or eted from the list in the following ek." For the first week of October the mber of scrips were 50. This is revised wards by 10 for the second week.

The consideration for odd lot shares l be fixed on the basis of the closing rket price of the previous trading day before the application is tendered for unitisation. In the case of debentures, however, the price will be fixed so as to give a current yield of 15 per cent plus accrued interest," explains the spokesman. UTI charges a service fee of 2 per cent with a maximum of Rs.50 per application.

The whole process will take approximately two months to come into effect depending on the time taken for the trust to get the shares registered in its name. There is no doubt that UTI's novel scheme has moved in the right direction to solve problems for the small investor.

■ LANCELOT JOSEPH

INVESTOR PROTECTION SCHEMES

SEBI gets going

The Securities and Exchange Board of India (SEBI), till now the toothless tiger of the capital market, is finally priming up to act out its role as the protector of investor interest. To begin with, it recently announced the setting up of two new schemes — one for classifying and attending to complaints made by investors against companies and the other for registering shareholders' associations.

"While the first scheme has already been on stream since the first week of September, the second is yet to be implemented," says Pratip Kar, division chief of SEBI. But since SEBI is still not a statutory body and hence has to function with limited powers, all it does now is to publish a press release every fortnight, giving an analysis of complaints received and the names of companies, issuers and merchant bankers involved. It also sees to it that all allegations are taken up directly, by way of a written communication to the defaulting firms, within three days of receipt of complaints.

The major chunk of complaints fall under the category of non-receipt of allotment and refund orders, dividend and interest warrants. Depending on the nature of the complaint they are classified into four broad categories.

Immediate action. SEBI has issued three press releases so far and companies which are featured prominently are Oswal Agro, Manali Petrochemicals, Gujarat Nylons, Dynamatic Forgings, Videocon VCRs and Usha Rectifier Corporation. "As a direct fallout of SEBI's hit list of errant companies, the Bombay Stock Exchange recently issued a show-cause notice to Manali Petrochemicals and suspended trading of Gujarat Nylons and Vitro Pharma Products for three days," says Kar. And as a measure of the clout that SEBI wields, erring firms have already responded by assuring clients that immediate steps will be considered for rectification and redressal of complaints. Also, ICICI and SBI Capital Markets have agreed to take up, with the issuers concerned, investors complaints with respect to public issues for which they have acted as merchant bankers.

The response of investors to these schemes has also been encouraging. The number of complaints received by SEBI for the fortnight ended 28 September 1990 was 249, representing an increase of 28 per cent over the previous fortnight. There are indications that the number would be well over 400 for the first press release of October. These are encouraging developments, but SEBI is not unaware of the complexities in the system and that grievance redressal cannot be undertaken by any solitary agency. Hence, it has enlisted the help of merchant bankers, the registrar of issues, companies and stock exchanges. "This step by SEBI is a welcome move and publishing the names of companies does have a demonstration effect," says M.R. Mayya, executive director of Bombay Stock exchange.

Meanwhile, SEBI has invited applications for registration of investors'associations across the country. "We plan to screen these applications and only the genuine ones will be given due recognition," says Kar. The benefits that will accrue from this registration include resource support and representation on the governing boards of the stock exchanges.

■ SHAMPA KAR

Company Face value	Year Ended	Equity Rs Cr	Re-serves Rs Cr	Book value Rs	Price 5.10.90	52 weeks High	52 weeks Low	EPS in Rs Year	EPS in Rs Half-yr	PE Times	Divi-dend %	Yield %	Bonus Year	Bonus Ratio
A.P.SCOOTERS,10	07/87	9.94	-13.25	-3.33	11.00	11.00	3.00	-4.8			11.0	10.0		
ACC,100	03/90	55.95	90.70	262.11	1995.00	2150.00	258.00	31.7	15.6	62.9	15.0	0.8	86	1:5
AHM ELECTRIC,100	03/89	19.81	67.58	441.14	600.00	650.00	230.00	27.7	11.8	21.7	16.0	2.7	87	1:5
ALFA LAVAL,10	03/89	7.82	21.57	37.58	220.00	225.00	77.50	8.0	4.1	27.5	25.0	1.1	89	1:2
AMAL RASAYAN,10	03/90	3.19	11.36	45.61	62.50	88.75	42.00	0.2		312.5		3.8		
AMB SARABHAI,10	03/90	22.20	-1.10	9.50	22.00	22.25	14.00	0.3		73.3			82	1:5
AMFORGE,10	03/90	5.33	11.32	31.24	130.00	135.00	78.00	11.3	5.0	11.5	25.0	1.9		
ANDHRA CEMENT,10	03/89	18.78	-2.70	8.56	17.00	25.00	7.75	-15.4				11.8	87	1:2
ANDHRA VALLEY,100	03/89	10.51	49.73	573.17	1600.00	1650.00	315.00	126.5	108.4	12.6	18.0	1.1	75	1:9
ANDREW YULE,10	03/87	9.41	22.81	34.24	60.00	77.50	54.00	2.2		27.3	10.0	1.7	67	2:5
ANNAPURNA FOILS,10	03/89	9.05	0.00	10.00	16.00	18.00	6.50	-2.9	-3.2					
APOLLO HOSP,10	06/88	5.22	1.33	12.55	25.00	30.00	11.00	3.2	1.2	7.8	15.0	6.0		
APOLLO TYRES,10	10/89	8.40	14.19	26.89	77.50	92.50	41.50	18.3		4.2	25.0	3.2		
APPLE IND.,10	03/90	5.19	0.81	11.56	60.00	60.00	19.00	8.6		7.0	35.0	5.8		
ASEA BROWN,10	03/89	5.28	8.25	25.62	165.00	165.00	55.00	5.9	3.5	28.0	21.0	1.3		
ASHOK LEYLAND,10	03/90	31.72	100.64	41.73	120.00	123.00	70.00	5.8	3.6	20.7	31.5	2.6	78	1:2
ASIAN CABLES,10	03/89	5.59	7.32	23.09	48.00	48.00	28.00	5.8	2.4	8.3	12.0	2.5	81	1:3
ASIAN HOTELS,10	03/90	15.05	12.21	18.11	85.00	85.00	52.00	7.4	4.3	11.5	25.0	2.9		
ASIAN PAINTS,10	03/90	12.44	56.50	55.42	267.50	285.00	200.00	15.3	9.1	17.5	45.0	1.7	87	1:2
ASSAM CO,10	03/89	14.00	26.02	28.59	165.00	180.00	113.75	8.4	7.2	19.6	40.0	2.4	89	1:1
ASSAM FRONTIER,10	03/90	3.00	10.53	45.10	345.00	355.00	188.75	29.0	9.0	11.9	50.0	1.4		
ASTRA IDL,10	03/89	2.50	2.97	21.88	70.00	75.00	40.00	4.9	2.5	14.3	10.0	1.4		
ATLAS COPCO,10	03/89	7.26	7.95	20.95	50.00	62.00	33.00	0.8	-1.9	62.5	10.0	2.0	87	1:2
ATLAS CYCLE,10	03/89	1.15	13.93	131.13	140.00	150.00	70.00	12.8	2.4	10.9	15.0	1.1	87	1:2
AVERY INDIA,10	03/89	4.20	9.34	32.24	160.00	173.00	106.00	7.7		20.8	35.0	2.2	84	2:5
BAJAJ AUTO,10	03/90	18.81	261.22	148.87	720.00	725.00	307.50	34.6	19.5	20.8	110.0	1.5	87	1:1
BAJAJ PLASTIC,10	03/89	1.50	4.94	42.93	70.00	80.00	26.00	-10.9	-3.4				86	1:1
BAJAJ TEMPO,10	03/90	6.60	42.10	73.79	270.00	280.00	117.50	11.5	8.4	23.5	20.0	0.7	86	1:1
BAKELITE HYLAM,10	03/90	4.50	20.04	54.53	48.75	59.00	31.00	3.0		16.2	18.0	3.7	80	2:3
BALLARPUR,10	03/89	20.97	27.11	22.93	290.00	310.00	125.00	7.4	7.8	39.2	18.0	0.6	89	1:2
BARODA RAYON,100	03/90	17.97	51.55	386.87	1525.00	1750.00	625.00	132.5		11.5	25.0	1.6	90	1:2
BASF,10	03/90	4.26	16.88	49.62	230.00	240.00	130.00	12.7		18.1	20.0	0.9	90	1:2
BATA INDIA,10	12/89	10.50	17.18	26.36	100.00	100.00	60.00	5.4		18.5	15.0	1.5	87	1:1
BATLIBOI,10	03/89	2.79	3.93	24.09	62.50	65.00	16.50	5.4		11.6	15.0	2.4		
BAYER INDIA,100	03/90	16.22	17.65	208.82	1075.00	1075.00	740.00	32.8	9.4	32.8	20.0	1.9	87	1:1
BEST & CROM,10	03/89	7.10	17.80	35.07	70.00	77.50	35.00	1.6	-0.9	43.8	10.0	1.4	82	3:5
BHADRA PAPER,10	03/90	10.57	28.95	37.39	137.50	153.75	75.00	4.3	1.1	32.0	32.5	2.4		
BHARAT FORGE,10	03/90	14.24	20.80	24.61	245.00	265.00	72.50	4.1		59.8	30.0	1.2	88	1:1
BHARAT GEARS,10	01/89	4.03	5.50	23.65	53.00	62.00	22.00	-2.4	0.1			6.2		
BIHAR ALLOY,10	03/90	8.20	-10.01	-2.21	24.00	51.50	22.00	-2.1		13.1				
BIMETAL,10	03/90	3.82	12.13	41.75	137.50	142.50	75.00	7.5	4.8	18.3	27.5	2.0	89	1:1
BINDAL AGRO,10	12/88	14.85	8.50	15.72	70.00	117.50	37.50	5.1	4.6	13.7	50.0	7.1		
BIRLA JUTE,10	03/90	20.37	84.17	51.32	170.00	180.00	45.50	2.3		73.9	18.0	1.1	86	1:1
BIRLA YAMAHA,10	02/89	8.00	0.17	10.21	18.00	26.00	7.50	-4.8	-3.4					
BLOW PLAST,10	07/89	2.00	3.73	28.65	120.00	135.00	35.00	1.6		75.0	15.0	1.2	87	1:1
BLUE STAR,10	03/90	3.55	15.61	53.97	170.00	170.00	71.25	13.3	1.4	12.8	20.0	1.2	86	3:5
BOM BURMAH,100	03/90	5.52	19.47	452.72	1200.00	1250.00	485.00	88.2	38.9	13.6	30.0	2.5	78	1:4
BOM DYEING,10	03/90	11.24	88.18	88.45	442.50	442.50	124.00	19.6	8.9	22.6	40.0	0.9	90	1:1
BOM SUBURBAN,10	03/90	6.60	78.22	126.52	140.00	140.00	35.00	18.2	11.2	7.7	20.0	1.4	89	1:1
BOOTS,10	03/89	8.10	9.33	21.52	130.00	136.50	95.00	5.5	2.8	23.6	22.0	1.7	87	1:1
BOROSIL GLASS,10	03/90	2.24	8.71	48.88	62.50	74.00	52.50	5.9		10.6	25.0	4.0	82	1:2
BRITANNIA,10	03/90	18.57	33.30	27.93	162.50	162.50	76.70	5.3	2.7	30.7	24.0	1.5	89	1:2
BROOKE BOND,10	12/89	44.15	39.77	19.01	165.00	167.50	89.00	6.2		26.6	30.0	1.8	89	4:5
BURROUGHS,10	02/89	6.00	15.82	36.37	95.00	110.00	67.50	6.0	1.4	15.8	45.0	4.7	89	1:1
C E S C .10	03/90	16.94	86.30	60.94	65.00	87.00	31.00	7.9	2.9	8.2	20.0	3.1		
C P TOOLS,100	03/89	4.57	9.61	310.28	480.00	525.00	280.00	15.2	-5.6	31.6	15.0	3.1	77	1:3
CABLE CORP,10	03/90	9.00	26.23	39.14	105.00	117.50	61.00	11.0	3.4	9.5	28.0	2.7		
CADBURY,10	03/90	8.40	14.40	27.14	176.25	185.00	104.00	6.3	2.0	28.0	35.0	2.0	87	1:1
CALICO MILLS,125	06/89	13.56	-5.69	72.55	82.00	95.00	40.00	2.3		35.7			77	1:7
CARRIER AIRCON,10	03/89	10.42	-3.50	6.64	22.75	31.00	18.00	-2.8	-0.9					
CEAT TYRES,10	06/89	14.76	104.60	80.87	120.00	165.00	80.00	15.2	6.3	7.9	30.0	2.5	86	1:2
CEMINDIA,10	03/90	1.28	8.57	76.95	120.00	121.75	80.00	7.0	2.8	17.1	30.0	2.5	84	3:5
CENTURY ENKA,100	03/90	16.61	226.21	1461.89	5500.00	5550.00	2875.00	196.7		28.0	62.5	1.1	90	2:5
CENTURY SPIN,100	03/90	26.62	248.83	1034.75	4525.00	4525.00	2175.00	203.0		22.3	50.0	1.1	86	2:3
CHAMPAGNE,10	03/89	3.00	-1.46	5.13	32.00	34.00	13.00	-3.2						
CHLORIDE,10	03/90	20.65	16.51	18.00	120.00	120.00	83.00	6.7	4.2	17.9	31.5	2.6	86	3:5
CIFCO FINANCE,10	03/89	4.78	0.40	10.84	19.00	19.00	8.00	2.1	0.9	9.0	11.0	5.8		
CITURGIA,10	03/90	3.38	8.34	34.67	140.00	140.00	92.50	8.8		15.9	35.0	2.5		
COLGATE,10	12/89	31.44	25.32	18.05	336.25	340.00	172.50	8.0		42.0	42.5	1.3	89	1:1
COLOUR CHEM,100	03/90	7.94	13.96	275.82	800.00	850.00	500.00	30.0		26.7	22.0	2.8	80	2:5
COMET STEEL,10	03/90	9.65	4.49	14.65	29.00	31.00	17.75	4.1		7.1	17.0	5.9		
COROM FERT,10	09/89	24.32	24.79	20.19	65.00	80.00	22.00	-2.9	1.5			2.6	86	1:2
COSMO FILMS,10	03/89	2.39	7.45	41.17	42.50	45.00	24.00	-8.5	-2.6		18.0	4.2		
CROMPT GREA,100	03/90	19.20	74.09	485.89	1650.00	1650.00	637.50	80.9		20.4	18.0	1.1	89	1:1
CYANAMID,10	03/89	5.25	10.26	29.54	135.00	140.00	88.00	4.2	3.1	32.1	20.0	1.5		
DCM TOYOTA,10	03/90	15.00	-12.96	1.36	47.50	50.00	13.00	4.3	3.2	11.0				

Company Face value	Year Ended	Equity Rs Cr	Re-serves Rs Cr	Book value Rs	Price 5.10.90	52 weeks High	52 weeks Low	EPS in Rs Year	EPS in Rs Half-yr	PE Times	Divi-dend %	Yield %
DCM,10	03/89	23.02	28.19	22.25	110.00	110.00	45.00	2.1	-2.2	52.4		
DEEPAK FERT,10	03/89	36.68	11.32	13.08	33.00	42.00	26.50	1.9	1.5	17.4	18.0	5.5
DEEPAK NITR,10	03/90	2.43	9.23	47.98	137.50	137.50	63.00	14.3		9.6	30.0	2.2
DEMPO STEAM,100	06/85	2.00	-9.83	-391.50	5.00	6.50	5.00					
DHARAMSI,10	03/90	6.24	15.76	35.26	95.00	95.00	37.00	10.0		9.5	25.0	2.6
DR.REDDYS,10	03/90	2.08	1.36	16.54	85.00	87.50	48.00	3.1	1.6	27.4	25.0	2.9
DUNCAN AGRO,100	03/89	3.05	18.23	697.70	2475.00	2650.00	253.46	28.9	82.6	85.6	15.0	0.6
DUNLOP,10	03/90	18.99	68.77	46.21	80.00	85.00	53.00	2.3		34.8	30.0	3.8
E. MERCK,10	12/89	5.94	6.65	21.20	75.00	90.00	26.00	5.2		14.4	25.0	3.3
E.I.HOTELS,10	03/90	23.84	47.57	29.95	60.00	66.00	57.50	4.5	0.5	13.3	22.0	3.7
EICHER MOTORS,10	03/90	9.98	-6.04	3.95	40.00	48.00	11.50	3.5	3.4	11.4		10.0
EID PARRY,10	06/89	6.28	6.69	20.65	100.00	104.00	61.00	7.3		13.7	25.0	2.5
ELECON ENG,10	03/90	5.65	27.25	58.23	70.00	85.00	65.00	1.8		38.9	12.0	1.7
ENFIELD,10	03/89	5.04	9.15	28.15	32.50	32.50	11.25	-10.4				
ENGLISH ELECT,10	03/90	9.00	18.88	30.98	147.00	147.00	55.50	3.3		44.5	25.0	1.7
ESCORTS,10	03/90	33.90	127.32	47.56	145.00	150.00	76.00	6.6	3.2	22.0	30.0	2.1
ESKAYEF,10	03/90	7.50	26.57	45.43	175.00	191.25	111.25	10.4	4.5	16.8	30.0	1.7
ESSAR SHIPPING,10	06/89	46.14	44.05	19.55	40.00	47.00	22.50	2.9	4.6	13.8	30.0	7.5
EXCEL,10	03/90	4.62	18.89	50.89	360.00	390.00	156.00	20.0		18.0	50.0	1.4
FAG PRECISION,100	03/90	3.36	8.71	359.23	131.25	140.00	86.00	13.8	6.3	9.5	18.0	13.7
FERRO ALLOYS,10	03/90	8.42	36.76	536.58	71.25	127.00	62.50	15.9		4.5	25.0	35.1
FGP,10	03/90	4.89	7.34	25.01	70.00	71.25	47.50	5.3	2.2	13.2	22.0	3.1
FICOM ORGANIC,10	03/90	1.29	7.53	68.37	210.00	240.00	137.50	16.7	7.2	12.6	45.0	2.1
FINOLEX,10	03/90	3.24	38.28	128.15	290.00	375.00	202.50	28.1	15.6	10.3	50.0	1.7
FIRST LEASING,10	11/89	6.30	10.05	25.95	55.00	55.00	16.50	4.8		11.5	26.0	4.7
FLAKT INDIA,10	12/88	4.76	4.08	18.57	85.00	85.00	29.50	4.0	3.2	21.2	20.0	2.4
FORBES FORBES,10	03/90	4.25	21.83	61.36	77.50	77.50	46.25	5.0	2.0	15.5	20.0	2.6
FULFORD,10	03/90	0.80	3.54	54.25	520.00	520.00	230.00	14.4		36.1	22.0	0.4
G.E.SHIPPING,10	03/90	64.85	55.26	18.52	41.50	52.50	40.00	6.7	3.3	6.2	20.0	4.8
G.K.W.,10	03/90	24.06	41.04	27.06	48.75	70.00	19.00	6.0	0.5	8.1	15.0	3.1
G.T.C.INDUST,10	03/89	5.00	13.24	36.48	70.00	70.00	22.50	5.3	2.6	13.2	24.0	3.4
GABRIEL,10	03/90	2.64	5.63	31.33	72.50	72.50	42.50	6.6		11.0	18.0	2.5
GAMMON INDIA,10	03/89	2.16	13.46	72.31	130.00	135.00	80.00	5.8	4.2	22.4	18.0	1.4
GARDEN SILK,10	06/89	16.24	84.67	62.14	55.00	62.50	37.50	3.6	1.4	15.3	30.0	5.5
GARWARE NYLON,10	12/88	9.72	14.92	25.35	56.00	67.00	45.00	2.7	2.0	20.7	20.0	3.6
GARWARE POLY,10	09/89	10.94	21.96	30.07	47.00	70.50	29.50	-6.4				4.1
GARWARE SHIP,10	03/89	3.75	0.03	10.08	22.00	27.50	18.00	5.9	1.6	3.7	15.0	6.8
GEN ELECTRIC,10	03/90	7.20	30.60	52.50	52.00	54.00	31.25	3.8		13.7	10.0	1.9
GENELEC,10	03/89	2.16	-4.39	-10.32	37.50	41.00	19.00	-47.1			14.7	3.9
GEORGE WILL,10	03/90	9.45	23.82	35.21	170.00	180.00	126.73	5.2		32.7	60.0	3.5
GERMAN REMED,10	03/90	3.26	8.87	37.21	340.00	350.00	68.50	13.3		25.6	20.0	0.6
GLAXO,10	03/90	20.00	49.88	34.94	95.00	122.50	92.50	7.7	5.0	12.3	27.0	2.8
GODFREY PHILIPS,10	03/90	2.60	3.80	24.62	155.00	165.00	40.00	11.0	6.9	14.1	35.0	2.3
GOETZE,10	03/90	6.93	16.53	33.85	115.00	120.00	80.00	6.7	3.4	17.2	32.0	2.8
GOKAK PATEL,10	03/90	6.52	25.96	49.82	230.00	230.00	67.50	13.7	8.1	16.8	32.0	1.4
GOOD NEROLAC,10	03/89	3.24	5.06	25.68	140.00	140.00	55.00	2.5	1.8	56.0	22.0	1.6
GOODYEAR,10	12/89	14.96	24.47	26.36	67.50	70.00	40.00	6.5		10.4	40.0	5.9
GRAMOPHONE,10	03/89	4.37	11.43	36.16	22.00	22.50	8.50	-14.0				
GRASIM,10	03/90	60.20	168.10	37.92	245.00	265.00	101.00	9.2	4.8	26.6	30.0	1.2
GREAVE COTTON,10	03/90	9.86	30.96	41.40	100.00	110.00	80.00	6.6	2.1	15.2	18.0	1.8
GUJ ALKALIES,10	03/90	17.90	29.78	26.64	112.50	112.50	72.50	4.2	3.1	26.8	26.0	2.3
GUJ AMB CEM,10	06/90	19.99	15.18	17.59	105.00	122.50	20.00	7.3	4.8	14.4	25.0	2.4
GUJ NARMADA,10	03/89	88.99	103.47	21.63	43.00	54.00	30.75	3.4	1.6	12.6	10.0	2.3
GUJ STATE FERT,10	03/90	44.41	335.70	85.59	250.00	260.00	157.50	11.6	6.2	21.6	30.0	1.2
HARRISON,10	06/89	9.10	17.64	29.38	185.00	195.00	77.00	3.5	5.6	52.9	35.0	1.9
HERDILLIA CHEM,10	03/90	7.35	46.79	73.66	120.00	120.00	82.50	10.0	4.3	12.0	26.0	2.2
HERO HONDA,10	03/90	15.96	-2.76	8.27	62.50	63.75	16.00	-0.3	2.0			
HIND ALLOY,10	03/90	7.13	5.03	17.05	121.25	128.75	55.00	9.4	4.1	12.9	30.0	2.5
HIND CIBA,100	03/90	17.71	40.07	326.26	1575.00	1800.00	960.00	92.7	39.5	17.0	30.0	1.9
HIND DEVELOP,10	03/89	29.74	92.56	41.12	95.00	135.00	72.00	3.2	2.4	29.7	25.0	2.6
HIND DORR-OLIVER,10	03/90	4.76	10.67	32.42	105.00	115.00	62.50	7.3		14.4	25.0	2.4
HIND FERODO,10	03/89	5.50	1.89	13.44	26.00	40.00	19.00	1.4		18.6	5.0	1.9
HIND LEVER,10	12/89	93.32	135.20	24.49	157.50	168.75	100.00	5.8		27.2	35.0	2.2
HIND MOTOR,10	03/90	26.35	44.92	27.05	47.50	54.50	21.00	0.8		59.4	7.5	1.6
HINDALCO,10	03/90	17.85	200.47	122.31	355.00	355.00	131.25	36.1	16.5	9.8	37.5	1.1
HMM,10	03/90	14.18	93.90	76.22	400.00	400.00	190.00	12.4	5.3	32.3	40.0	1.0
HOECHST,100	03/89	9.58	27.94	391.65	3150.00	3300.00	1080.00	37.7	52.3	83.6	20.0	0.6
HOGANAS,10	03/90	1.15	0.29	12.52	128.00	140.00	51.00	4.0	1.4	32.0	15.0	1.2
HOTEL LEELA,10	03/90	18.57	-2.20	8.82	23.00	23.00	13.00	0.1	0.5	230.0		
HOUSING DEV FIN,100	03/89	19.96	64.96	425.23	440.00	475.00	275.00	96.8	46.4	4.5	14.0	3.2
HYD.ALLWYN,10	12/88	17.45	10.70	16.13	22.50	22.50	8.00	1.4	1.2	16.1	15.0	6.7
I.O L.,10	03/90	14.60	31.44	31.53	51.00	56.00	33.50	0.2		255.0	10.0	2.0
ICI,10	03/89	40.87	84.19	30.60	60.00	67.50	35.00	1.2	-3.9	50.0	22.5	3.8
ICIM,10	03/90	5.88	9.13	25.53	45.00	45.00	30.00	3.9		11.5		
INDIA CEMENT,10	03/90	4.90	48.96	109.96	130.00	155.00	15.00	5.9	7.0	22.0	15.0	1.2
INDIA GYPSUM,10	03/89	9.00	-2.47	7.26	16.00	22.00	9.00	-2.7	-1.3			

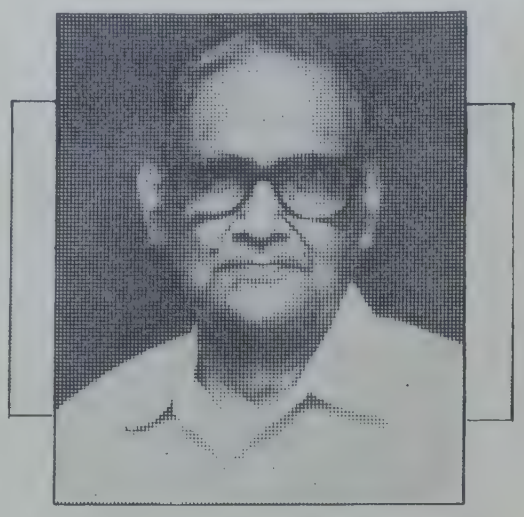
Company / Face value	Year Ended	Equity Rs Cr	Re-serves Rs Cr	Book value Rs	Price 5.10.90	52 weeks High	52 weeks Low	EPS in Rs Year	EPS in Rs Half-yr	PE Times	Divi-dend %	Yield %	Bonus Year	Bonus Ratio
POLYCHEM 10	03/90	6.00	17.30	38.83	155.00	155.00	80.00	11.5	6.8	13.5	25.0	1.6	90	1:2
POLYOLEFINS 100	03/90	19.30	56.49	392.66	1350.00	1485.00	1050.00	94.0	45.0	14.4	35.0	2.6	88	1:2
PONDS,10	12/89	6.68	18.78	38.11	185.00	197.00	112.06	9.1		20.3	37.5	2.0	90	1:2
PREMIER AUTO 10	06/90	22.75	112.26	59.35	70.00	79.00	56.00	7.5		9.3	30.0	4.3	86	1:1
PROCTER & GAM.10	06/89	6.68	11.68	27.49	300.00	340.00	185.00	9.4	5.3	31.9	30.0	1.0	88	4:5
PSI DATA,10	03/89	6.50	-5.27	1.89	21.00	27.50	11.50	-13.1				11.0		
RALLIS.10	03/89	9.52	33.44	45.13	105.00	105.00	65.00	8.7	3.1	12.1	25.0	2.4	77	3:1
RANBAXY 10	03/90	8.95	16.22	28.12	122.50	132.50	87.50	8.4	5.0	14.6	27.5	2.2	88	2:5
RAYMONDS.10	03/90	22.47	80.46	45.81	120.00	120.00	65.00	8.1	2.0	14.8	20.0	1.7	87	1:1
RECKITT COLMAN,10	12/89	8.40	22.44	36.71	265.00	265.00	185.00	9.5	4.8	27.9	40.0	1.5	88	1:1
REGENCY CERAMIC.10	03/89	5.61	0.25	10.45	19.00	22.50	15.00	0.9	0.7	21.1				
RELIANCE PETRO	03/89	86.47	0.48	10.06	43.00	47.00	20.50	0.6		71.7	18.0	4.2		
RELIANCE.10	03/90	152.11	958.12	72.99	198.50	200.00	51.50	5.9		33.6	30.0	1.5	83	3:5
REMINGTON 10	03/90	2.67	4.34	26.25	50.00	65.00	35.00	3.3	1.8	15.2	20.0	4.0	86	1:2
REVATHI C.P.10	03/90	1.60	4.29	36.81	90.00	100.00	67.50	5.8		15.5	20.0	2.2	87	1:1
RHONE-POULENC,10	03/90	4.50	14.22	41.80	115.00	118.75	63.75	9.8		11.7	15.0	1.3		
ROCHE PRODUCTS,10	12/88	4.81	6.23	22.95	70.00	89.00	27.00	3.3	1.9	21.2	15.0	2.1	80	1:3
ROSS MURARKA,10	12/88	4.64	3.29	17.09	28.75	32.50	14.50	3.1	1.5	9.3	18.0	6.3		
S.I.VISCOSE.100	03/90	11.03	38.51	449.14	2850.00	2950.00	875.00	202.0	120.6	14.1	45.0	1.6	87	1:2
SAMTEL INDIA,10	03/90	3.57	8.07	32.61	32.50	63.75	23.50	-8.4	-2.7	3.5		7.8	88	1:3
SANDOZ,10	12/89	5.30	24.68	56.57	180.00	205.00	132.50	11.2		16.1	18.0	1.0	90	1:2
SANDVIK ASIA.100	12/89	5.78	7.54	230.45	1300.00	1425.00	610.00	43.9		29.6	25.0	1.9	84	1:1
SCINDIA.20	06/88	18.95	40.86	23.12	9.00	16.00	7.25	-23.6					77	2:5
SEARLE,10	03/90	7.82	10.93	23.98	150.00	155.00	105.00	5.3		28.3	20.0	1.3	88	1:2
SESA GOA,10	03/90	5.15	12.25	33.79	195.00	195.00	56.00	6.7	9.5	29.1	18.0	0.9	86	2:5
SHAW WALLACE 10	03/90	12.00	37.90	41.58	96.00	118.00	69.00	12.7	6.4	7.6	42.5	4.4	87	1:1
SHRIRAM FIBRES,10	09/89	10.33	22.69	31.97	60.00	68.00	42.50	4.2		14.3	18.0	3.0	82	1:2
SIEMENS,10	03/90	20.77	61.17	39.45	137.50	142.50	72.00	4.4		31.2	30.0	2.2	86	1:4
SILTAP CHEMICAL,10	03/89	1.80	-0.76	5.78	140.00	140.00	42.50	-8.5	-3.4					
SIPTA COATED 10	03/90	17.59	12.40	17.05	26.25	30.00	14.00	1.4		18.8	15.0	5.7		
SKF BEARINGS 100	03/90	24.70	52.45	312.35	2425.00	2450.00	1250.00	84.0		28.9	15.0	0.6	89	1:1
SOUTHERN PETRO 10	03/90	34.00	292.60	96.06	63.00	75.00	43.50	6.8	5.5	9.3	16.0	2.5	86	1:1
SPARTEK.10	03/89	4.56	5.91	22.96	67.50	75.00	60.00	6.2	3.6	10.9	25.0	3.7	89	3:5
SPECIAL STEEL.10	03/90	11.39	14.36	22.61	240.00	250.00	91.25	10.4	5.2	23.1	25.0	1.0	89	1:2
STANDARD IND.10	03/90	11.06	36.78	43.25	115.00	120.00	45.00	1.2	1.7	95.8	20.0	1.7	82	2:5
STANDARD MOTOR.10	03/88	4.37	3.98	19.11	20.00	26.00	9.50	-18.1				15.6	85	1:1
STRAW PRODUCTS.10	03/90	10.14	77.87	86.79	145.00	152.50	74.00	2.2	4.5	20.1	30.0	2.1	72	1:2
SU-RAJ DIAMOND.10	03/90	7.66	9.72	22.69	55.00	68.00	46.00	14.2	9.4	3.9	25.0	4.5		
SUND CLAYTON.10	05/89	9.48	23.99	35.31	60.00	73.00	42.00	4.9	1.1	12.2	25.0	4.2	87	2:3
SUND FASTENERS.10	03/90	5.10	13.30	36.06	117.50	117.50	70.00	9.3	4.6	12.6	27.5	2.3	88	3:5
SUND FINANCE.10	03/90	6.00	23.62	49.37	127.00	127.00	60.00	15.3		8.3	30.0	2.4	90	1:1
SUPREME INDUST.10	06/89	2.27	13.47	69.34	425.00	440.00	222.50	14.4	9.7	29.5	45.0	1.1	87	1:1
SWAD POLYTEX.10	03/90	3.90	11.77	40.18	90.00	90.00	34.00	4.6	1.3	19.6	17.5	1.9		
SYNTH & CHEM.10	03/90	11.42	9.75	18.54	60.00	80.00	49.00	4.3	0.9	14.0	25.0	4.2		
TATA CHEMICALS.10	03/90	73.76	210.39	38.52	106.00	117.00	77.04	5.5	2.2	19.6	30.0	2.8	89	1:1
TATA LOCO.10	03/90	103.67	378.70	46.53	235.00	237.50	102.00	9.9	9.0	23.7	30.0	1.3	82	2:5
TATA OIL,10	03/90	8.11	25.19	41.06	150.00	150.00	21.20	16.5		9.1	20.0	1.3	90	4:5
TATA POWER.100	03/90	21.22	76.04	458.34	1725.00	1750.00	332.50	56.9	60.8	30.3	20.0	1.2	75	1:5
TATA PRESS.10	03/90	1.57	5.62	45.80	72.50	75.00	55.00	-3.6		10.9	10.0	1.4		
TATA STEEL,10	03/90	229.43	1103.11	58.08	226.50	226.50	103.25	6.5	2.9	34.8	30.0	1.3	86	2:5
TATA TEA.10	03/90	17.10	109.99	74.32	450.00	450.00	174.00	24.3	12.1	18.5	60.0	1.3	88	3:5
TATA UNISYS,10	03/90	4.38	8.76	30.00	185.00	200.00	67.50	11.8		15.7	30.0	1.6	87	2:5
TEXMACO.10	03/90	1.87	11.06	69.14	59.00	84.00	33.00	-67.0						
TINPLATE.10	03/90	10.14	12.16	21.99	47.50	47.50	27.50	2.5		19.0	15.0	3.2		
TUBE INVESTMENT.10	03/90	6.71	28.62	52.65	82.50	82.50	63.00	6.1	3.1	12.3	24.0	2.9	85	1:1
TUTICO ALKALIES.10	03/89	12.94	-2.63	7.97	17.00	17.00	12.00	0.9	-2.6	18.9		44.4		
TVS SUZUKI.10	03/89	23.10	5.50	7.62	22.00	26.00	11.00	1.3		16.9				
TWENT CENT.10	03/90	6.82	12.44	24.01	50.00	52.00	21.00	4.5		11.1	22.0	4.4	86	2:5
U.B.L.LTD.10	06/88	4.00	9.53	33.82	66.00	76.25	37.00	7.1		9.3	20.0	3.0	86	1:1
UNION CARBIDE.10	03/89	32.58	36.34	21.68	37.50	45.50	21.00	1.4		26.5		5.3	80	1:0
UNIT PHOSPHORUS.10	12/87	2.81	2.66	19.50	95.00	110.00	45.00	9.4	3.1	23.7	10.0	1.1		
UPCOM CABLES.10	03/89	5.92	1.88	13.19	37.00	52.00	17.50	4.3	2.8	6.2	20.0	7.4		
VAM ORGANIC.10	03/90	5.16	20.35	49.44	195.00	195.00	120.00	15.7	8.7	11.8	35.0	1.9		
VIDEOCON INT.10	03/90	4.23	6.97	26.34	510.00	530.00	110.00	66.2	49.7	7.7	40.0	0.8		
VINDHYA TELE.10	03/90	3.90	20.90	63.59	127.50	130.00	77.50	8.0		15.9	22.5	1.8		
VOLTAS.100	03/90	10.65	61.98	41.24	137.50	140.00	59.36	9.2	5.8	13.9	24.0	19.8	89	1:0
WST INDUSTRIES.10	03/90	9.65	16.77	27.32	110.00	115.00	45.00	6.1	2.8	18.0	30.0	2.7	89	1:5
WALCHAND.100	09/88	3.00	2.46	162.00	32.50	32.50	16.00	2.0		16.-			82	1:0
WARREN TEA.10	03/90	3.90	11.49	39.46	170.00	180.00	68.12	20.9	4.0	8.1	12.0	4.1	89	1:1
WIMCO.10	03/89	12.58	5.34	13.93	36.00	44.00	16.25	9.7	2.8				70	1:5
Z.F.STEERING.10	03/89	2.25	1.02	14.53	80.00	80.00	43.00	2.6	1.1	30.8	10.0	1.2		
ZENITH.10	12/88	3.15	17.20	28.80	40.00	61.00	36.00	5.2	3.1	7.7	30.0	7.5	81	1:4
ZUARI.10	03/89	12.43	57.09	55.93	70.00	95.00	55.00	4.8	2.3	14.6	35.0	5.0		

Note: EPS: This represents the earnings after tax for the full year divided by the number of shares outstanding. EPS half-year: after tax earnings per shares for six months versus the amount announced half-years ago. PE: price of the share after tax per share. Yield: dividend as a percentage of market price

CHAIRMAN'S MESSAGE

Parasrampuria Synthetics Limited

Excerpts from the Statement of Shri Gian Prakash, Chairman at the 7th Annual General Meeting of the Shareholders held at Delhi on 26th September, 1990.



Shri Gian Prakash

- **Highly Diversified**
  Wide range of Polyester, Polypropylene Nylon Yarn
- **Increase**
  a) As compared to last year
  - Turn-over Rs.6558 lacs — 98%
  - Profit after tax Rs.629 lacs — 356%

  b) Current 5 months
  - Turn-over Rs.4305 lacs — 57%
  - Profit after tax Rs.555 lacs — 112%
- **Enhanced Dividend** — 22%
- **Expansion Phase-I**
  Spinning Capacity increased — 7500 TPA
- **Expansion Phase-II**
  Spinning Capacity — 11500 TPA
  Polycondensation — 7500 TPA
- **Expansion Phase-III**
  Spinning Capacity — 25000 TPA
  Polycondensation (Polyester) — 18000 TPA
- **Diversification**
  100% E.O.U. for cotton yarn spinning — 25000 spindles
- **For better service**
  to Shareholders — Low Equity
- **Highly attractive** — Rights Issue
  Rights offer of Partly Convertible Debentures

Ladies & Gentlemen,

I welcome you to the 7th Annual General Meeting of the Company. As you must have noted from the Annual Accounts and Director's Report already circulated to you, the allround performance of your Company during the year ending 31.3.1990 has been quite satisfactory. Your Director's have already recommended an enhanced dividend of 22% for the year. The Company produced and sold 3862 M.T. and 3776 M.T. of all varieties of Filament Yarn respectively. As compared to the previous year (on annualised basis), **the turnover increased to Rs. 65.58 Crores by 98%, profit before tax at 7.51 Crores by 417% and Profit after tax at Rs. 6.29 Crores by 356%.** Most of the varieties of yarns manufactured were sold at a premium. The Brand names **'Paraspolyester', 'Parasion'** and **'Parasilene'** are by now well established and extremely popular in the market

CURRENT YEAR'S WORKING :

I have great pleasure in informing you that the current year's working is even better than that of the year ending 31st March, 1990. **For the 5 months period ended 31st August, 1990, on a turnover of Rs. 43.05 Crores, the Company earned a net profit of Rs. 5.55 Crores.** Barring unforeseen circumstances, the present trend of profitability is expected to continue for the rest of the year.

EXPANSION & DIVERSIFICATION PROJECT :

The Company has already successfully implemented the Expansion Phase-I resulting in increase in Spinning capacity to 7500 TPA and Draw Twisting facility of 800 TPA involving a capital outlay of Rs. 19.80 Crores without any overrun that also 4 months ahead of schedule.

With the same determination and confidence, the Company has undertaken Phase-II of expansion with a capital outlay of Rs. 47.99 Crores which will increase its Spinning capacity further to 11250 TPA as also setting up of a Polycondensation Plant for the manufacture of 7500 TPA of Yarn Grade Polyester Chips. The project is expected to be fully operational by 31st March, 1992 as scheduled, whereas Spinning machines will be installed much ahead of the schedule

Meanwhile the Company has also installed a Polypropylene Plant with a capacity of 1000 TPA which is fully operational. With the implementation of Phase-II, the profitability of your Company is expected to be still better next year.

The Company has further plans to increase its Spinning capacity to 25,000 TPA and Polycondensation upto 18,000 TPA. It has also received a registration for 100% Export Oriented Project for Cotton Yarn with 25,000 Spindles to be located in one of the cotton rich belts of Maharashtra.

CONSERVATION OF ENERGY :

Your Company has taken several measures for conservation of power in the process substantially by changing the parameters of Air-Conditioning Systems and also by reducing compressor area consumption

Consumption of fuel oil has also been reduced by reducing steam consumption in air-conditioning. This could be achieved by utilising the heat from the plant to pre-h the fresh air during winter season

The proposals on hand are to furth reduce energy consumption in refrigeration by installing power efficient compressors instead of more power consuming reciprocating compressors. It will our humble contribution towards saving of precious foreign Exchan by reducing imports of petroleur products.

RIGHTS OFFER :

In order to part finance the Expansion Phase-II Project, your Directors have proposed an issue Non-Convertible Debentures of a nominal value not exceeding Rs. 12.00 Crores on private placemen basis to Banks/Mutual Funds and Partly Convertible Debentures of nominal value not exceeding Rs. 1541.30 lacs on a rights basis to t shareholders in the ratio and date be fixed by the Board after gettin CCI approval.

As shareholders of Parasrampuria Synthetics Limited, you can be confident of a bright future. I ma also assure you that it is our earnes endeavour that the Company should reach far greater heights i the coming years.

I thank you once again for making possible to be amongst us this morning.

26th September, 1990

GIAN PRAKAS
CHAIRMA

Note : This does not purport to be record of the proceedings of the Annual General Meeting

PARASRAMPURIA SYNTHETICS LTD.

Regd. Office : 103, Surya Mansion 1, Kaushalya Park, Hauz Khas New Delhi-110 016

Record performance. Year after year.

PRESSM

ompany fixed deposits
urrent for November 1990)

e of the pany	Minimum Amount	Rate of interest % 1 year	2 year	3 year
	3000	11.5	12.5	14.00
A GEVART	5000	13.00	13.50	14.00
IS CHEMICALS	2000	14.00	14.00	14.00
OK LEYLAND	2000	-	13.75	14.00
AL RASAYAN	3000	13.00	13.50	14.00
ORGE INDIA	3000	13.00	14.00	14.00
SEASONS	3000	-	13.00	14.00
ABS LTD	2000	14.00	14.00	14.00
AJ HIND	1000	-	13.00	14.00
E BLENDS	3000		13.00	14.00
OSIL GLASS	3000	-	13.00	14.00
IBAY DYEING	3000	9.50	13.00	14.00
AJ AUTO	5000	-		14.00
S	5000	2.00	13.00	14.00
OKE BOND	5000	-		14.00
W PLAST	2000	-	14.00	14.00
RAFT GEARS	2000	14.00	14.00	14.00
E STAR	3000	11.00	13.00	14.00
RINGER KNOLL	2000	12.50	13.00	14.00
AJ PLASTICS	2000	14.00	14.00	14.00
H CENTURY	1000	13.00	13.50	14.00
T TYRES	3000	-	12.50	14.00
PHOR ALLIED	2500	13.50	13.50	14.00
RIHANS	3000	-	14.00	14.00
OURCHEM	3000	10.50	13.00	14.00
MG FILMS	3000	14.00	14.00	14.00
LIN LTD	3000	-		14.00
LTD	3000	12.50	13.50	14.00
LOP INDIA	3000	-		14.00
AR SHIPPING	3000		13.00	14.00
ERCK INDIA	3000			14.00
HOTELS	1000	-		14.00
	3000	12.00	13.00	14.00
FILAMENTS	1000	14.00	14.00	14.00
AMBUJA CEM	3000	-	13.50	14.00
LYKA	2000	-	14.00	14.00
WARE SHIPPING	2000	14.00	14.00	14.00
NARMADA CORP	3000	-	12.50	14.00
CHST	5000	-		14.00
D SUGAR	2000	-	13.00	14.00
D ALLOYS	3000	13.00	13.50	14.00
RDILLIA CHEM	5000	-		14.00
ROL LUBRICAB	5000			14.00
	5000	-		14.00
IA CEMENTS	3000	13.00	14.00	14.00
IAN PLYWOOD	1000	13.50	14.00	14.00
AB	2000	13.00	13.50	14.00
	3000	-	14.00	14.00
EGRATED FIN	1000	-	14.00	14.00
IAPHOTO COM	3000	-		14.00
IAN ALUM	3000	-		14.00
ANT PAPER	3000	-		14.00
ST LEAS	3000		14.00	14.00
ETIC ENGG	3000	-	13.00	14.00
VINATOR	2000	12.50	13.50	14.00
LOSKAR PNEU.	3000	13.00	13.50	14.00
LOSKAR COM.	3000	12.00	13.00	14.00
OCKER WINDSOR	1000	13.50	14.00	14.00
T	3000	11.00	12.50	14.00
YDS STEEL	3000	-	14.00	14.00
KAND	3000	11.00	12.50	14.00
HIN &MAHIN	2000	11.00	13.00	14.00
DI XEROX	2000	13.50	14.00	14.00
LEOD RUSSEL	4000	-	13.00	14.00
SORE PETRO	1000	13.00	13.50	14.00
HER PHARMA	2000	-	14.00	14.00
TUEM REA	4000	13.00	13.00	14.00
GARJUNA STEEL	2000	14.00	14.00	14.00
GARJUNA FIN	2000	14.00	14.00	14.00
LCO LTD	2000	-		14.00
LYCHEM	2000	13.00	13.50	14.00
ILIPS CARBON	1000	13.00	13.50	14.00
AKASH PIPES	2000	14.00	14.00	14.00
EMIER AUTO	1000	13.00	14.00	14.00
DUMJEE PULP	3000	12.50	13.00	14.00
NBAXY	5000	13.00	14.00	14.00
LIANCE	5000	-		14.00
THI ALLOYS	3000	14.00	14.00	14.00
VATHI C.P.	1000	13.00	13.50	14.00
E	3000	13.50	14.00	14.00
UTH INDIA VIS	3000	14.00	14.00	14.00
SA GOA	2000	13.00	13.50	13.00
AW WALLACE	3000	-	13.00	14.00
RAW PRODUCTS	3000	13.00	13.50	14.00
IRAM FIBRES	2000	-	13.50	14.00
PREME IND	3000	13.50	14.00	14.00
EELAGE INDIA	3000	-		14.00
REE SYNTHETICS	2000	12.50	13.50	14.00
I	2000	14.00	14.00	14.00
APAR AGRO	1000	14.00	14.00	14.00
TA FINANCE	5000	-		14.00
TA CHEMICALS	1000			14.00
ITED CARBON	2000	-	14.00	14.00
ICHEM LTD	1000	11.50	12.50	14.00
RELI TEXT	3000	12.00	13.00	14.00
DESAI FIN	2000	14.00	14.00	14.00
STERN INDIA	2000	14.00	14.00	14.00
INDUS	2000	13.50	14.00	14.00
ARI AGRO	2000	12.50	13.00	14.00

Cumulative deposit scheme
(current for November 1990)

Name of the company	Minimum Deposit	Maturity amount	Period (years)	Annual compound rate of interest (%)
ACC	3000	4503	3	14.90
ASEA	3000	4533	3	14.93
APOLLO TYRES	3000	4555	3	14.94
ARUNA SUGARS	2000	3030	3	14.85
AEGIS CHEMICALS	2000	3044	3	14.87
ASHOK LEYLAND	2000	3025	3	14.63
AMFORGE INDIA	3000	4533	3	14.59
BIHAR SPONGE	2000	3036	3	14.94
BEST & CROMPTON	3000	4554	3	14.94
BERGER PAINTS	3000	4533	3	14.93
BATA	3000	4503	3	14.90
BAKELITE HYLAM	2000	3030	3	14.85
BLUE BLENDS	3000	4533	3	14.93
BAJAJ AUTO	5000	7505	3	14.49
BENETT COLEMAN	3000	4533	3	14.93
BHADRACHALAM P.	3000	4554	3	14.79
20TH CENTURY	1000	1516	3	14.93
CAPRIHANS	3000	4553	3	14.94
DCW LTD	3000	4533	3	14.93
DUNLOP	3000	4533	3	14.93
DUNCANS AGRO	2000	3036	3	14.93
EMPIRE FIN	1000	1522	3	15.04
ESCORTS	3000	4500	3	14.90
ESSAR SHIPPING	3000	4533	3	14.75
FIRST LEASING	1000	1518	3	14.93
GAMMON IND	3000	4555	3	14.75
GUJARAT FIL	1000	1512	3	14.74
GTC IND	3000	4533	3	14.93
GKW	2000	3036	3	14.77
HIND CONST	3000	4533	3	14.93
HIND ALLOYS	3000	4533	3	14.93
HIND RECT	3000	4566	3	14.94
HARRISON MALY.	3000	4533	3	14.59
IVP	5000	7555	3	14.75
ITC	5000	7555	3	14.75
INDIA CEMENT	3000	4542	3	14.85
ICI LTD	4000	6044	3	14.59
JAYANT VITAMINS	3000	4503	3	14.90
J.K. INDUSTRIES	2000	3022	3	14.90
KANORIA CHEM	3000	4533	3	14.93
KOTHARI SUGARS	1000	1518	3	14.93
KREST DEVELOP.	1000	1518	3	14.93
KELVINATOR	2000	3000	3	
KIRLOSKAR INV	2000	3036	3	14.94
LUPIN LABS	4000	6072	3	14.93
L&T	3000	4468	3	14.20
MGF (INDIA)	2000	3036	3	14.93
MODI XEROX	2000	3036	3	14.93
MCLEOD RUSS	4000	6044	3	14.74
MODERN THREADS	2000	3036	3	14.93
MODERN SYNTEX	1000	1511	3	14.74
NAGARJUNJA STEEL	2000	3036	3	14.93
NAGARJUNJA FIL	2000	3036	3	14.94
NAMDANG TEA	4000	6044	3	14.74
PARAS SYNTH	3000	4560	3	14.98
PEICO	3000	4502	3	14.49
PHILIPS CARB	1000	1511	3	14.74
PRECISION FAST	2000	3022	3	14.90
PADAMJEE PULP	3000	4533	3	14.75
PREMIER AUTO	3000	4554	3	14.94
PREMIER CONST.	3000	4533	3	14.93
PL FIN& INV	1000	1518	3	14.93
POYSHA IND	4000	6072	3	13.39
RAPICUT CARB	2000	3036	3	14.94
RANBAXY	5000	7555	3	14.75
RATHI ALLOYS	2000	3040	3	14.98
RELIANCE	5000	7550	3	14.75
REGENCY CERAMICS	3000	4533	3	14.75
SAKTHI FINANCE	5000	1518	3	15.03
SOUTH VISCOSE	3000	4533	3	14.75
SAIL	2000	2950	3	14.34
SHRIRAM FIBRES	2000	3022	3	14.75
STRAW PRODUCTS	3000	4533	3	14.75
SESA GOA	3000	4553	3	14.94
SHOPPERS INV.	1000	1522	3	15.04
SAE	3000	4555	3	14.94
THAPAR AGRO	3000	4533	3	14.75
TATA TELECOM	5000	7504	3	14.49
TATA CHEMICALS	5000	7500	3	14.49
UPCOM CABLES	3000	4533	3	14.75
UNIPLAS	3000	4555	3	14.78
USHA ALLOYS	3000	4554	3	14.93
UPTRON	3000	4553	3	14.94
VARELI TEXT	1000	4535	3	14.75
WESTERN HATCHER	2000	3036	3	14.93
WESTERN INDIA	1000	1518	3	14.93
WS INDUS	2000	3022	3	14.75
WIPRO LIMITED	4000	6003	3	14.49
ZUARI AGRO	2000	3037	3	14.91

Note: The above list is a selection of companies which accept deposits from their shareholders or from the public. Public limited companies offer lower rates than many sound private limited companies or partnership firms. Readers are advised to take suitable professional advice.

Sintex
Material Handling
Containers



Unmatched Durability and Performance

Industrial Material Handling is never easy. The ordinary bins and containers call for frequent replacement resulting in high maintenance cost.

Sintex Material Handling Containers are designed to withstand rigourous and tough working conditions while affording ease,safety and economy. Thats why they have successfully replaced the conventional Cane, Wooden,G. I. and even ordinary plastic containers.

Available in various shapes, sizes and capacities, they can also be changed to match specific situations and applications.

For Further information contact

SINTER PLAST CONTAINERS

Plastic Division The Bharat Vijay Mills Ltd.
KALOL (N. GUJARAT) 382 721
Phone (02764) 2228, 2274, 2352, 3144, 3145
Gram "SINTEX", Telex . 01205-202 SPC IN
Fax (02764) 2385

Bidhan.SPC/161/90

Sorry folks!

In IC 327, Tisco's price as on Monday, 10 September was given wrongly. We therefore have no option but to cancel the contest. We regret the inconvenience caused.

Given below is a new list of six scrips, and their closing prices on 9 October, 1990. Pick the share that you think will rise the most in percentage terms by 6 November, 1990 and rank it number one. Then choose the one that you expect will rise the second most and rank it number two. Then number three, and so on till rank six. It's as simple as that!

So, in this Investor Contest, you don't have to predict the price of shares; you merely have to rank the performance (in percentage terms) on the basis of the prices you expect each to reach on 6 November, 1990. You don't have to tell us either the prices or even the percentage changes you expect — only fill in the ranks from one to six.

Please note that if you assign the same rank to two scrips, then the following one should be ranked the next consecutive number. For example, if you rank two shares at number three, the next will be number four (in which case, of course, your last rank will be five).

Rules:

1. There is no entry fee.

2. The price mentioned last in the official quotation list will be taken as correct for purposes of calculation. If the stock exchange remains closed on the stated last day, the closing price on the prior day will be used.

3. Entries must be on the printed form given below. Any other entries will be disqualified.

4. Only one entry will be permitted per form.

5. Envelopes sent in should be marked Investor Contest. All entries should be sent to: Investor Contest, **Business India**, Wadia Building, 17/19 Dalal Street, Bombay 400 001, by 5 pm, 1 November, 1990.

6. Business India's decision on the winning entries is final and binding, and no correspondence in this regard will be entertained.

7. The contest is open only to reside India. No employee (or any direct relat an employee) of the **Business India of publications** is entitled to ente contest.

8. The prize of Rs.5,000 will not be c forward if there is no winner. In the that there is more than one winner, the will be shared equally.

Name of scrip	Prices as on Tuesday 9 October, 1990 (Rs.)	Rank as on Tuesday 6 November 1990 (please fill in number)
Asian Paints	285.00	
Britannia Ind.	165.00	
Excel Ind.	382.50	
GSFC	250.00	
ITC	173.75	
Mukand	262.50	

Name: _____

Address: _____

Age: _____

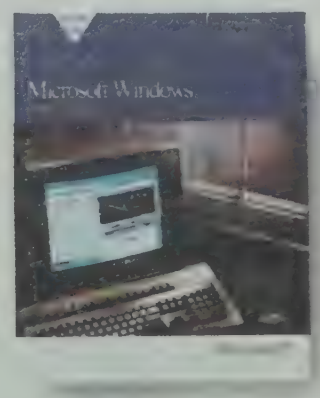
Profession: _____

Date: _____

How much does 'free' software cost?







Getting software **"free"** is child's play. In less than a minute, you think you've saved yourself thousands of rupees. What fun.

But corporate EDP managers in India are increasingly buying **original software.** And for good reason too.

They know that **piracy – though cheap – can land their boss in jail.** The offence is cognisable and comes with a two-year sentence in India for the chief executive.

They also know that **virus** on a pirated floppy could ruin their hard disk and entire data forever.

Now, see the opportunity cost.

Original software gets you **regular updates** at a nominal charge. And of course, you get **complete software** with **free** support from experts.

Why pay through the nose for 'free' software.

Join the growing league of mature corporate EDP managers.

We want you to be safe. We believe you deserve the best. And we'll bring it to you.

Microsoft.

On your screen now, from a dealer near you, through Tata Unisys Ltd.

Talk to us now.

Microsoft

Microsoft and the Microsoft logo are registered trademarks of Microsoft Inc., U.S.A.

Through Tata Unisys Ltd. India

For further information get in touch with our offices or any of our dealers

Tata Unisys Offices:

Bombay: *4308243, 4308161.* ***Bangalore:*** *579781-84.* ***Calcutta:*** *441104.* ***Delhi:*** *6444462-63* ***Madras:*** *474502, 479808.* ***Goa:*** *2955*

Tata Unisys Dealer Network

Ahmedabad: *Softech, 468890; EPG, 467556.* ***Bangalore:*** *Encompass, 569866; Software House, 560590.* ***Bombay:*** *Blue Chip Computers, 273759; Business Link, 243012; PC Train and Consult Centre, 2615439; S.R. Consultants, 6133621.* ***Bhubaneshwar:*** *Oricom, 56180.* ***Calcutta:*** *IMKEMEX, 296853; EMBEE, 262047.* ***Coimbatore:*** *Kalpatharu Software Services, 24123.* ***Delhi:*** *ACE, 6416315; Binary Semantics, 533544; IDPC, 3311155; Neba Computers, 675925; Computer Impact, 6845347.* ***Dhanbad:*** *Infotel, 3847* ***Indore:*** *Universal Consultants.* ***Secunderabad:*** *ACE, 845294.* ***Madras:*** *Shyamala Vector Graphics, 446161; Dynamic Computer Services, 471684; S.R. Consultants, 416181.* ***Baroda:*** *S.R. Consultants, 326892.* ***Pune:*** *S.R. Consultants, 431454*

Datapro Centres

Ahmednagar • ***Baroda:*** *328660* • ***Bombay:*** *Fort, 2860001, 2863268* • ***Bangalore:*** *Mission Road, 225266* • ***Calcutta:*** *Deshpriya Park, Salt Lake, 444613* • ***Delhi:*** *New Rajinder Nagar, 5721220, 5730406* • ***Goa:*** *6005* • ***Hyderabad*** • ***Jamshedpur:*** *23918* • ***Kota:*** *27801* • ***Kanpur:*** • ***Lucknow:*** *34928* • ***Mysore:*** *237648* • ***Nagpur*** • ***Pune:*** *Koregaon Park, 668975, 664813* • ***Sholapur*** • ***Trivandrum***



ABB in Industrial Equipment & Systems. Helping bridge the steel gap.

Asea Brown Boveri's understanding of the nation's need makes it a premier partner in India's Mini Steel Plants. A vital sector which produces 30% of the country's steel.

ABB has a major stake in this growing industry - with electric arc and induction furnaces, continuous casting and rolling mill electrics. Providing total systems support to an industry that's working overtime to bridge the demand and supply gap .

A strong move towards minimising dependence on imports.

Other products in the ABB repertoire include static and dynamic weighing systems crucial to iron and steel, and other industries too.

ABB has the leading edge to maximise the production of iron and steel. With the technology, resources and skills in Industrial Equipment & Systems.

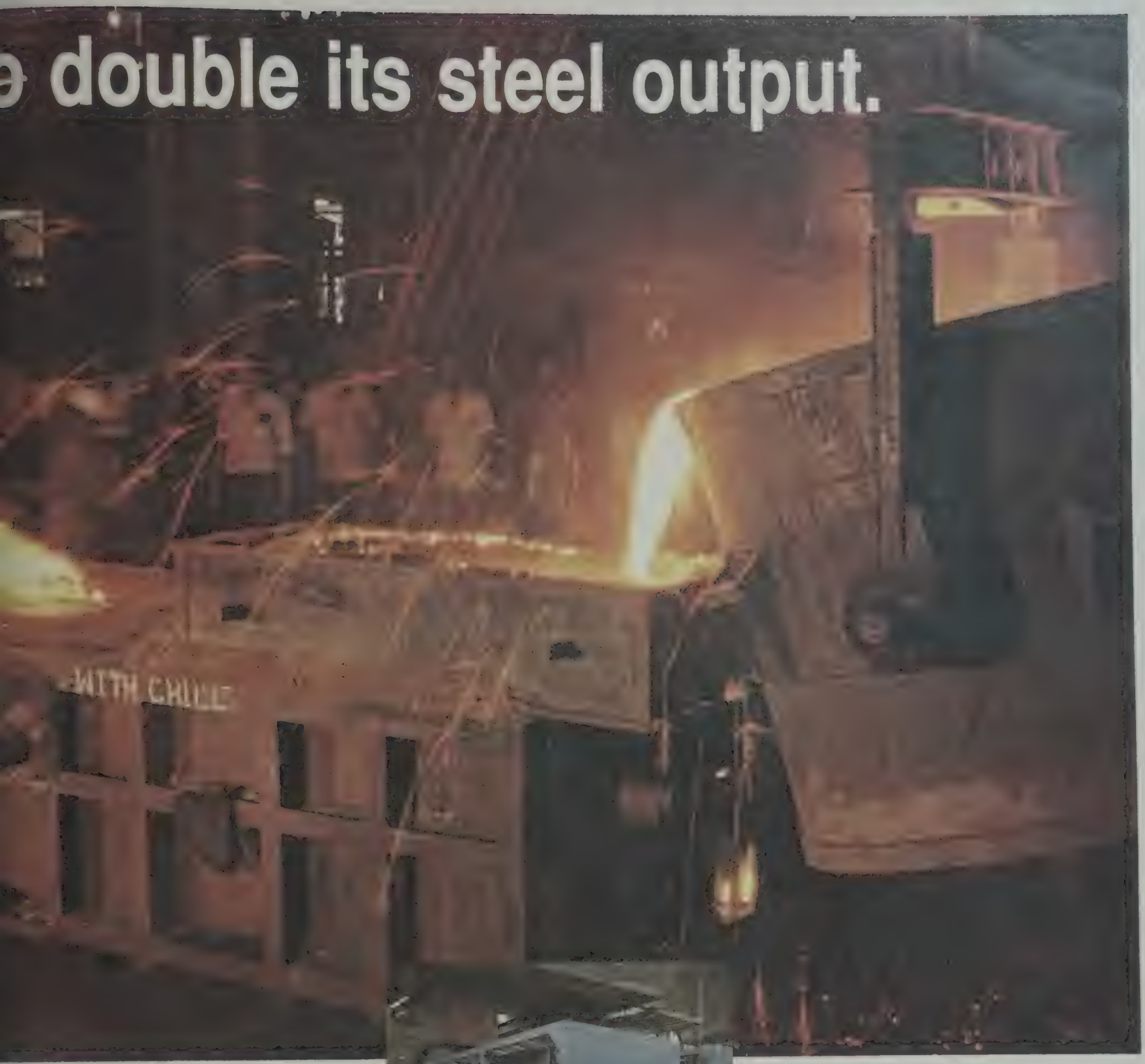
ABB. Powered by the international merger of two electrical engineering giants. Asea and Brown Boveri. Providing ABB India with privileged access to technology advances worldwide.

- Power Generation
- Power Transmissi
- Power Distributio
- Industrial Electro
- Industrial Equipm and Systems
- Transportation
- Telecommunicatio

ABB. THE WORLD'S LARGEST ELECTRICAL ENGINEERING GROUP.

MAA COMMUNICATIONS 1254

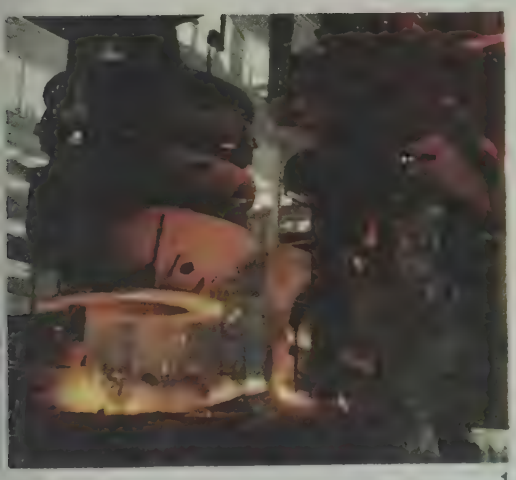
e double its steel output.



1. Induction Furnace at TELCO
2. Weighfeeder
3. Supercharger



2



1



3

Asea Brown Boveri Limited
Sona Towers, 71, Miller Road
Bangalore 560 052
Tel : (0812)-266315
Telex : 0845-8394 ABBL IN
Fax : (0812)-264147

ABB
ASEA BROWN BOVERI

THE BEST & WORST ANNUAL REPORTS '90

It's that time of the year when Indian corporations put their best face forward to a public that matters most: their shareholders. It is also the season of the annual general meeting (AGM): that face-to-face encounter between top management and a company's highest risk-bearing financers. And millions of copies of corporate annual reports criss-cross the country via the postal services in all directions between July and September since company law stipulates a minimum 21 days notice to shareholders before an AGM.

The annual report is a statutory document. Between its covers, top management has to give an account of its own performance while conducting the company's business in the past year. And, as Bombay-based chartered accountant V.B. Haribhakti says, the annual report not only informs about the past but also on future prospects. It is thus the single most important piece of communication between a company and its stakeholders; these include not just investors but banks, financial institutions, other lenders, collaborators, financial analysts and of course, the government.

With the maturing of capital markets, the public, whom the annual report addresses, has today a wider definition. With companies going in for larger projects, shareholders have become a very important constituency. As Aditya Puri of Citibank says, "Annual reports will be revolutionised not by law but by a company's needs." Not only that, as recent proceedings at the Great Eastern and Reliance AGMs have shown, the investor lobby is getting more vocal and gathering clout.

Companies are known by what their annual reports say and how they convey it. In fact, corporate images could be made or broken by this medium. Not surprisingly then, companies have begun to pay greater attention to production values, layout and presentation, and even the paper they use. Professionals are often brought in to improve appearances. Advertising agencies too routinely offer this as an add-on service to their major corporate clients. There are also firms that specialise in providing such brush work.

If there is any indication of the importance of annual reports, the presence of an association, the Bombay-based Association of Business Communicators (ABCI) confirms it. It has been giving awards for the best annual reports based on the aesthetics and clarity of presentation. Similarly, the Institute of Chartered Accountants of India, evaluates annual reports strictly on the criteria of accounting norms and practices.

Cost-conscious

Given all this, it is amazing how many companies with multi-crore advertising budgets suddenly become cost-conscious in their communication to stakeholders. No doubt, as their investor base widens, the expense starts hurting. Thus, in response to the plea for pruning costs, the Companies Act was amended in 1988, allowing companies to produce abridged versions of this statutory document. The rider here is that if a shareholder wants a copy of the annual report *in toto*, it should be made available.

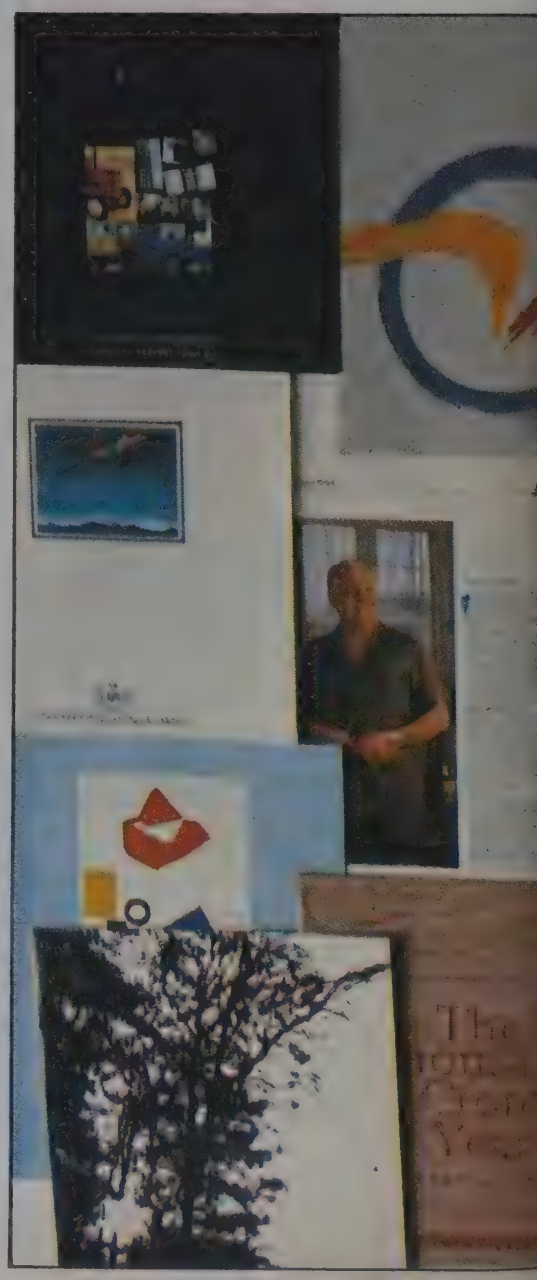
A.K. Nanda, company secretary of Mahindra & Mahindra Ltd, says the company printed 40,000 abridged and 3,000 complete copies at a cost of Rs.12 and Rs.70 each, respectively, this year. Significantly, of the company's 38,000 shareholders, only 73 were interested in the full version. The company ended up saving Rs.25 lakh on its printing and postage bill.

This year, says Shirish Nadkar, general manager of Tata Press Ltd, most companies have opted for the abridged version, with a few unabridged copies for shareholders who ask for them. The press has produced more than 200 balance sheets this year. There are stray instan of a third variety, such as the high-g gold line limited edition that Shaw lace has produced for its overs collaborators.

Scope for suppression

Those who favour abridged accounts that few shareholders care to read, alone study, the annual reports they ceive. It is, they say, a wasteful and n less expense. Critics of abridged accou point out, however, that summaries o more scope for suppression of unpal ble information. After all, the cost going the whole hog is often a mere f tion of a company's profit for the y "Considering the other overhead penses, annual reports cost a pittan says Kumar Chandra Nair, assistant v president of Kotak Mahindra Finance

In this to-do over design and expen what is sometimes forgotten is the *ra d'etre* of annual reports — informat Some corporate analysts today will g far as to say that Indian annual rep conceal more than they reveal. Very



THE BE
& WOR
ANNU
REPOR
'90

ey say, proffer more than the bare mini-
um prescribed in Schedule VI to the
ompanies Act.

And if concealment isn't bad enough, in
enious methods are utilised to manipu-
te the information. It is common
nowledge that arbitrary changes in the
ethod of calculating depreciation and
er-valuation of closing inventories are
e most frequently used ways of juggling
e bottom line.

istorted view

ke a second look at Reliance Industries'
port for 1989-90, for example. All dis-
ted claims against this textile juggler-
aut are buried in the fine print. Such sins
omission give a distorted view of a com-
any's performance. Says Pradip Shah of
risil, "The market can be fooled easily.
nd there are no penalties for
isinformation."

Even where the financial view is "true
nd fair", it is often a partial one. To give
n example, the law doesn't provide for
e disclosure of division wise sales in
ulti-divisional companies. This break-
up, if given, would provide an insight into which product lines are money spinners, and which are a drag on profits. The management would have to outline the conscious strategy behind propping up the latter. Subsidiaries (whose losses could have wiped out their entire net worth) are never consolidated — this again means that what a shareholder sees is not necessarily what he gets.

Keeping all these factors in mind, we decided to take a close look at the annual reports of 300 private sector companies — not in the usual manner of journalists, but as shareholders with limited access to first hand information from top management. From among the 300, we present here the best based on two criteria: presentation and content. We also highlight some important companies that produced annual reports not in keeping with their size, image and reputation.

On the first count we examined production values — design, layout, the use of graphics, photographs and the type of paper (glossy or otherwise) used. In essence, how well does the document perform the dual function of providing information and reflecting the right corporate image? Pages crammed with information in a totally reader-unfriendly manner were disqualified immediately. Similarly, economising on the cost of corporate image was considered a demerit. The counterpoint to this is that if the shareholder roster is too large, gloss would push up the cost to prohibitive levels, which would be a waste of shareholders' funds. The underlying factor in evaluating the contents of the annual report was: how much more qualitative value added information is provided beyond the statutorily prescribed norm? Does the report give an overall picture of where the company is and where it is heading? Does it give a thumbnail sketch of the market/industry scenario and the company's own position in it?

Indian managements tend to be secretive about divulging this information for fear of letting out competitive secrets. However, broad hints are usually conveyed through the chairman's statement or the director's report which spell out the management's strategic thinking for the company. Admittedly, the data in an annual report is historical in nature. However, if it is confined to the past and gives no indication of future thrusts then it is little more than a dead document.



Out of the reckoning

Our evaluation of annual reports stopped short of balance sheet analysis and number crunching. By and large, auditors' reports and notes to accounts do give an indication of a company's accounting practices. Serious qualifications by the auditors put several contenders out of the reckoning.

Only private sector companies were considered since public sector corporations are accountable to only one shareholder — the government. And the annual reports of financial institutions like the ICICI, IDBI, Exim Bank, in any case, are slick, expensive productions.

Hardly was the first criterion of assessment, ie, presentation, applied and altogether 260 reports were put out of the running — a telling comment on the general standard of the reports. The remaining 40 were subjected to scrutiny on two counts — the meat (information) and its garnishing (get-up).

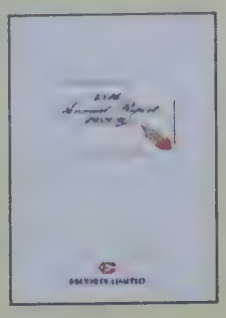
■ Compiled by NAAZNEEN KARMALI
AVINASH GORAKSHAKAR and SHAMPA KAR

20 OPPERS

Escorts

Sales (gross income): Rs.769.82 crore. Profit (after tax): Rs.22.69 crore. Number of shareholders: 15,734

Escorts gets full marks for presentation and disclosure. Liberal use of graphs and charts brings the numbers to life. Future thrust areas — a wider range of farmer-friendly products and diversification into telecommunications — are spelt out clearly.



Indian Aluminium Company



Sales: Rs.548.04 crore. Profit: Rs.58.49 crore. Shareholders: 43,061

Indal too has not held anything back from its shareholders. This annual report is packed with information. A corporate brochure that precedes the report outlines the company's future strategy for consolidation, expansion and exports. A detailed overview by chairman Field Marshal Sam Manekshaw is supported by a management report from V. Sagar Sachdev, the managing director. Colourful graphs give visual life to the financial highlights.

Bajaj Auto



Sales: Rs.1,064.63 crore. Profit: Rs.65.09 crore. Shareholders: 24,668

India's number one two-wheeler maker crossed the Rs.1,000-crore sales landmark in its 45th year, an achievement highlighted on the cover. Albeit expensively produced, this document is an example of understated elegance. Other highlights: well presented funds flow statement and ratio analysis.

Modi Xerox

Sales: Rs.124.21 crore. Profit: Rs.6.03 crore. Shareholders: 25,872

No expense has been spared to produce this one. It could be mistaken for a corporate brochure. The preface gives an indication of how the company functions, its marketing strategy and has testimonials from customers ranging from the Delhi Police to the Osho commune in Pune. The report itself is tucked away at the end. The Rank Xerox influence is obvious here. As chairman B.K. Modi himself says in his annual review, "We are truly a Xerox company... in every single way."



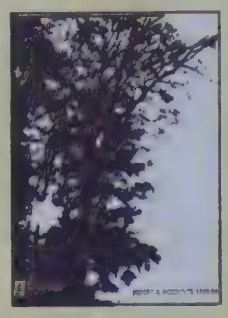
The Assam Company



Sales: Rs.67.83 crore. Profit: Rs.12.82 crore. Shareholders: N.A.

This Calcutta-based tea company gets full marks for clarity. Key indicators — sales, production, profits — are graphically presented. The theme is "strength from the roots up" and the roots go back 151 years. Notwithstanding that fact, this quiet performer is in tune with the times.

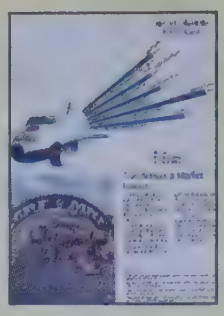
Bhadrachalam Paperboards



Sales: Rs.123.98 crore. Profit: Rs.8.11 crore. Shareholders: 5,705

This paper manufacturer has a social conscience and a message: "anything taken from Mother Earth should be given back to her, manifold". The corporate philosophy underscores the fact that industry can coexist in harmony with the environment. The chairman states the future focus — on high-value specialty products and an industrial plantation programme. The accounts are well presented.

MRF



Sales: Rs.575.10 crore. Profit: Rs.12.35 crore. Shareholders: 15,569

For the last five years, the most striking feature of MRF's annual report has been its compact size. Despite that, the company packs in a lot of information and the report is replete with charts, graphs and photographs. The format remains unchanged this year, though it is more subdued and low-key. Chairman K Mammen Mappillai's 50-word statem is the shortest ever.

Britannia Industries



Sales: Rs.321.27 cr Profit: Rs.9.76 cr Shareholders: 19,500

White seems to be the ferred colour for fis 1989-90. The compa new logo is embosse white against a w background. There's an impressive page picture of Rajan Pillai in his co rate suite.

ITC



Sales: Rs.1,827.30 cr Profit: Rs.54.12 cr Shareholders: 125,00

Full-page pictures chairmen seem to b fashion this year: Jag N. Sapru has one of h self in this one too. that is forgivable only because the di tors have not short-changed the sh holders. Their report runs to 10 page which two are devoted to explaining excise imbroglio. A colourful corpo brochure on the agri business divis provides visual relief against a stark w cover. This company too takes pain spell out its significant accounting p cies — which is a must for any seri evaluation of accounts.

Blue Star



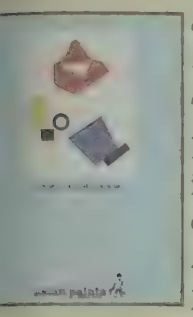
Sales: Rs.174.96 cr Profit: Rs.4.72 cr Shareholders: 8,140

Blue Star, managed by low-profile Adv Brothers, seems to h finally decided to go steam ahead on its di sification plans into telecommunicati and industrial equipment.

Its annual report, printed on fine gl paper, projects each division's per mance and prospects separately thro colourful photographs and chart. It c veys the high level of satisfaction enjo by its customers, who also figure in report. Contentwise, the report is fa clean, except for the fact that the bre up value of turnover earned from ma

ctured goods is not available in the ual standard format.

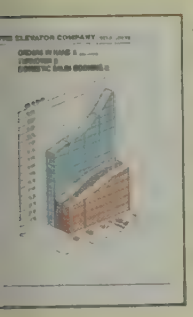
sian Paints



Sales: Rs.304.38 crore.
Profit: Rs.19 crore.
Shareholders: 35,398

Despite the business that it is in, there is very little colour or decoration in Asian Paints' annual report. That, however, does ot detract from its value. The directors' port is generously sprinkled with aphs and there is even one relating to e stockmarket performance of the com- ny's shares. Despite the sluggishness in e industry, the company is expanding. It as addressed its shareholders' concern out liquidity by explaining how it man- es working capital.

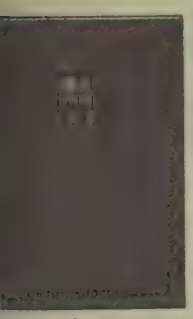
tis Elevator Co. (India)



Sales: Rs.72.36 crore.
Profit: Rs.4.03 crore.
Shareholders: 3,911

It has not been a great year for Otis and sales haven't exactly zoomed upward. The directors are candid enough to admit it. They so say why: labour trouble at a plant, stag- ancy in the construction industry. Right front, the company outlines its combat rategy. The back cover carries the corpo- te philosophy: the Otis vision.

ujarat Ambuja Cements



Sales: Rs.117 crore.
Profit: Rs.14.57 crore.
Shareholders: 55,647

The most profitable cement company has the money to splurge on image building. So, accompanying the annual eport is a corporate brochure explaining ow Ambuja did it, ie, achieved its level of rofitability. Superbly illustrated and de- gned, the brochure is practically a col- ctor's item. The same can't be said of the eport. The directors could have been ore forthcoming.

DFC

ales: Rs.194.35 crore. Profit: Rs.24.72 rore. Shareholders 42,695



Can a hard-nosed business like housing finance have an artistic dimension? Obviously, yes. "The art of housing finance" is the rather esoteric theme of the corporation's report to its shareholders. Although the directors' report is prosaic, the chairman's statement addresses such strategic issues as the interest rate structure and competition.

Alfa Laval (India)



Sales: Rs.92.95 crore.
Profit: Rs.8.56 crore.
Shareholders: 9,233

By next year, if growth follows the projected course, Lila Poonawalla should be heading a Rs.100-crore business. Obviously there's more to this Pune-based engineering company than its high-profile boss lady. The staff and workers at all area offices get full exposure here. An entire page has been handed over to the union and staff representatives to have their say. Though not so well designed, this report provides a wealth of information.

VST Industries



Sales: Rs.376.91 crore.
Profit: Rs.5.93 crore.
Shareholders: 14,352

VST is amongst the three tobacco companies in this list. But unlike the other cigarette makers, who have utilised this opportunity to project their corporate images over several glossy pages, VST's annual report is minus such frills. The cover — a close-up of a tobacco leaf — is excellently executed. The report itself is relatively staid with no graphs or visual representations.

Hindustan Lever



Sales: Rs.1,193.21 crore.
Profit: Rs.53.81 crore.
Shareholders: 127,761

The annual report of India's largest multinational is in step with its image — clean and dignified. There's been no compromising on the quality of paper or printing; both are top-notch. Pictures and graphs provide some visual relief in this information-packed document. As befits its size and the mass market to which it caters, the focus is on the growth of the economy which has a direct bearing on the fortunes of this company.

Mahindra & Mahindra



Sales: Rs.921.61 crore.
Profit: Rs.15.97 crore.
Shareholders: 37,062

None of the thrills, spills and chills of the widely reported boardroom drama is reflected in this discreetly worded document. That has been communicated to the shareholders separately in a personal letter from chairman Keshub Mahindra. M&M chooses an all black cover which corresponds perfectly with the figures inside. An informative directors' report outlines detailed prospects for each product division.

Godfrey Phillips India



Sales: Rs.468.41 crore.
Profit: Rs.3.97 crore.
Shareholders: 14,924

This report is a kingsize image building exercise. A great deal of attention has been given to creating the right visual impact. The directors' report stands out in that all financials are graphically presented. This company is a good marketer and here it has succeeded rather well in selling itself to shareholders.

Indian Hotels Company



Sales: Rs.141.50 crore.
Profit: Rs.1.52 crore.
Shareholders: 54,432

No five-star frills here. Evidently the Taj Group doesn't need to build image through this medium — its hotel properties and continuous advertising reflect that quite adequately. However, the company doesn't believe in dishing out indifferent fare to its shareholders. Chairman Ajit Kerkar's statement, which clearly chalks out future thrust areas, is a measure of the respect the company has for its investor constituency.

VSNL GIFT WRAPS THE WORLD OF DATA NETWORKS AND DATA BASES



Access International Data-Networks and Data-Bases through VSNL's Gateway Packet Switching Systems and Easy Net Service from your Desk Top PC...

GPSS

A highly reliable and cost efficient means of Data Transfer and Information Retrieval. Application areas include Electronic mail, fund transfer, airline/hotel reservation, credit-card verification, software development, inter-intra company communication, information access etc.

EASYNET

World's first intelligent 'KNOWLEDGE GATEWAY' to multiple On-line hosts like BRS, DATA STAR, DATA TIMES, DIALOG, NEWSNET, H.W. WILSON, ORBIT, PERGAMON, PROFILE, QUESTEL, G. CAM and VU/TEXT, offers single password access to over 1000 Databases.

These Databases cover the entire spectrum of human knowledge with upto-date information on products, prices, markets, technologies, drugs, pharmaceuticals, industries, infrastructures, patents, standards, researches, substitutes, education, commercial and other aspects.

ON-LINE SERVICE CENTRE

VSN Bombay and New Delhi Offics, offers:

★ Information Access from over 1500 Data bases

★ Training and Setting up On-line Services.

For detailed information, please write or call on:

I.K. AGRAWAL
Dy. General Manager (Mktg.)
Videsh Sanchar Nigam Limited
Videsh Sanchar Bhavan, Mahatma Gandhi Road, Bombay 400 001
Tel: + 91 (22) 277175 • Telex: + 81 (11) 82429 • Fax: + 91 (22) 2046976

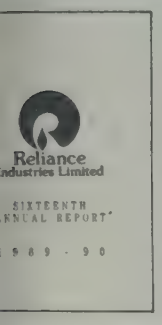
Continuously Updating Telecommunications for you

NG

Some of the best known companies in the country have produced annual reports that just do not reflect their importance and image.

Admittedly, if a company has a bad year and there's no significant percentage growth to npet about, financial prudence ds a low-key, staid get-up. But, who s to give the bad news upfront? More n, it's buried in a number of ingenious s in the fine print. Given the relative of the company, a poor get-up with too y serious qualifications, the following lify for a dishonorable mention:

iance Industries

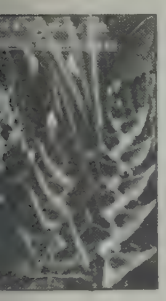


Sales (gross income): Rs.1,860.83 crore. Profit (after tax): Rs.90.50 crore. Number of shareholders: 1,850,000

An adjourned AGM and a share price that halves and then more than quaples in less than a year — what haped to the Reliance family? Study this ument carefully.

profligate media spender, RIL's large e economising on this front has proed a poorly done annual report. Yet the reholders love Reliance and Dhirubhai er stops praising his "family". But is the way to treat his "family"?

K. Synthetics



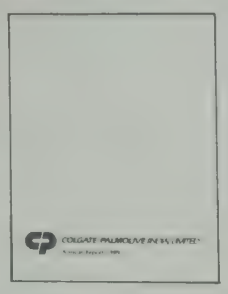
Sales: Rs.781.17 crore. Profit: Rs.16.34 crore. Shareholders: 118,186

The oft quoted plea, "We don't believe in wasting shareholders' funds on fanciful glossy ideas," is just another excuse to oduce this totally reader-unfriendly re-t. Buried in the fine print is a Rs.2.61 re loss in subsidiaries (which exceeds net worth of the subsidiaries) and an ise liability of Rs.1.47 crore not proed for. Also, Rs.5.92 crore is added to ofits by an inadequately explained nge in valuation of stocks.

olgate Palmolive (India)

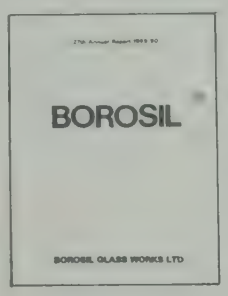
les: Rs.277.12 crore. Profit: Rs.25.05 re. Shareholders: 53,219

erseas, particularly in the US, com



panies go out of their way to give as much as information as possible. Why do their subsidiaries here follow a different pattern? Colgate's directors' report is cryptic in tone. Just because they are given a very high dividend does it mean that the shareholders are not entitled to more information?

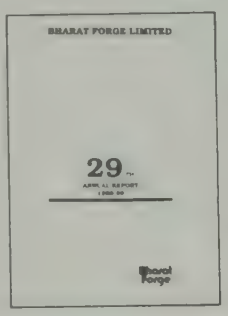
Borosil Glass Works



Sales: Rs.23.69 crore. Profit: Rs.1.32 crore. Shareholders: 4,110

Corning Glass of the US gave up its stake in the Indian affiliate to square off legal claims from the Kherukas of Calcutta in 1988. Surely the shareholders deserve to know the new plans of the new owners? The directors' report is not very indicative on this point. Also lacking are details on the investment in the new sheet glass project for which the company had offered a rights issue.

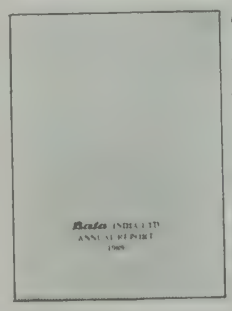
Bharat Forge



Sales: Rs.196.49 crore. Profit: Rs.7.91 crore. Shareholders: 12,775

Conservative and low-profile though they may be, the Pune-based Kalyanis must spell out the future prospects of their flagship company. Also, considering that the auditors have qualified this report with reference to a disputed octroi liability of Rs.11.86 crore, they must tell the shareholders a little more about the dispute.

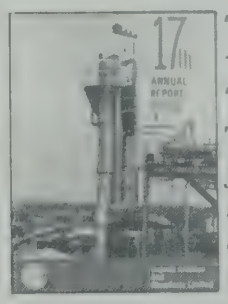
Bata India



Sales: Rs.321.85 crore. Profit: Rs.3.6 crore. Shareholders: 22,100

In the annual report, the company is not putting its best foot forward. It looks and, in some places, reads more like a government hand-out. In fact, the report seems to be a poorly produced xerox offset copy of the accounts typed up in the office. Yet, to be fair, one can't quarrel with the content.

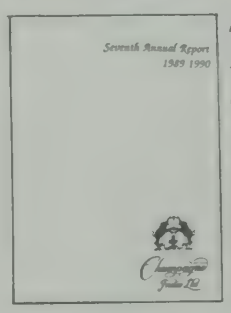
Gujarat Alkalies and Chemicals



Sales: Rs.113.54 crore. Profits: Rs.7.55 crore. Shareholders: 68,880

This is a highly profitable joint-sector company and a market leader in the caustic soda segment. The poor presentation of the annual report does not reflect this at all. Reserves have been overstated by Rs.9.90 crore, which is the amount of past under provided depreciation. The auditors have taken due note of this, but the directors have passed the buck to an unidentified "eminent counsel".

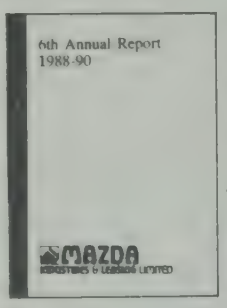
Champagne India



Sales:Rs.1.91 crore. Loss: Rs.55 lakh. Shareholders: 15,952

Unlike the bubbly it makes, the company's annual statement lacks punch. The loss has been understated by Rs.75.38 lakh. It also contains a Rs.14 lakh 'sale' to UK customers for which the auditors say that "neither the material had been despatched... nor had the payment for the same been received".

Mazda Industries & Leasing



Sales: Rs.7.66 crore. Loss: Rs.1.80 crore. Shareholders: 56,000

This loss-making company is planning to offer a rights equity issue to its shareholders to overcome its liquidity problems. In the annual report, the auditors give a list of qualifications. This means that the picture could be more gloomy.

Mafatlal Fine Industries



Sales: Rs.222.69 crore. Loss: Rs.4.79 crore. Shareholders: 40,109

The past year has not been a good one for this textile company. But the contents of the report are honest enough with every division's performance and prospects viewed separately.

Senior executive positions

A compilation of executive jobs advertised in **Business Indi** other major publications between 24 September and 7 Oc 1990.

THE FOUR BEST JOBS

- VICE-PRESIDENT (Marketing) * New Delhi * *Sal* Attractive + flat + car * *Age/Qlfn* NS * MBA * *Reqd* 15-20 years experience in concept/institutional selling. Should have been head of marketing for at least 5 years * *Cont* Deepak Singh, Quest Consultants and Engineers Pvt Ltd, 307 Skipper Corner, 88 Nehru Place, New Delhi 110019 (ToI - 1.10)
- VICE-PRESIDENT (Finance) * New Delhi * *Sal* Excellent + house * *Age/Qlfn* 40-45 years * CA, preferably also CS * *Reqd* 15 years post-qualification experience, of which 3-5 years should have been as head of finance and accounts of a large company * *Cont* MS/4959, A.F. Ferguson Associates, Hansalaya, Barakhamba Road, New Delhi 110001 (ToI - 24.9)
- CHIEF EXECUTIVE * Bangalore * *Sal* NS * *Age/Qlfn* Around years * Electronics engineer * *Reqd* 10-15 years experience which 4-5 years European experience in an communicat equipment organisation * *Cont* The Vice-President, Consum Product & Personnel, Crompton Greaves Ltd, 1 Dr V.B. Gan Marg, Bombay 400023 (ToI - 24.9)
- CHIEF EXECUTIVE * Vapi/Daman * *Sal* NS * *Age/Qlfn* Arou 40 years * NS * *Reqd* General management experience a senior level, preferably a background in the plastics process industry * *Cont* R. Banerjee, Consindia Pvt Ltd, Anand Ashra 2nd Floor, 22, Pandita Ramabai Road, Gamdevi, Bom 400007 (ToI - 24.9)

WEST

- VICE-PRESIDENT (Projects) * Ahmedabad * *Sal* NS * *Age/Qlfn* 35 years * Engineer * *Reqd* 12 years experience in project implementation (preferably textiles) of which 3 years as HoD * *Cont* Executive Vice-President (HRD), Modern Group of Industries, 709 Ansal Bhavan, 16 Kasturba Gandhi Marg, New Delhi 110001 (ToI - 3.10)
- GENERAL MANAGER (Plants) * Madhya Pradesh * *Sal* Attractive + accommodation * *Age/Qlfn* NS * Post-graduate in organic chemistry * *Reqd* 10 years experience preferably as chief manager of bulk drug plant * *Cont* R.C. Vadhar, Chairman, Creative Marketing Consultants Services (P) Ltd, 21 Atlanta, Nariman Point, Bombay 400021 (ToI - 5.10)
- FINANCE CONTROLLER-CUM-COMPANY SECRETARY * Bombay * *Sal* NS * *Age/Qlfn* Around 35 years * CA & ACS * *Reqd* Minimum 7 years experience * *Cont* Box M228-K, Times of India, Bombay 400001 (ToI - 6.10)
- VICE-PRESIDENT (Administration & HRD) * Bombay * *Sal* NS * *Age/Qlfn* Around 40 years * Post-graduate in personnel management * *Reqd* 10 years relevant post-qualification experience, preferably in a service organisation * *Cont* PKF (90-64), Project Knowhow Finance Services Pvt Ltd, 413 Unique Industrial Estate, Veer Savarkar Marg, Prabhadevi, Bombay 400025 (ToI - 24.9)
- GENERAL MANAGER (Industrial Electronics) * Pune * *Sal* Rs.1.5 lakh pa + flat + car * *Age/Qlfn* 35-40 years * Electronics engineer * *Reqd* Preferably MBA and 7 years experience as a profit-centre manager in a large company * *Cont* OMNI Consultants International, 59 Court Chambers, 35 New Marine Lines, Bombay 400020 (ToI - 24.9)

NORTH

- FINANCE DIRECTOR * Patna * *Sal* Rs.20,000 + house + car + perks * *Age/Qlfn* 35-55 years * CA * *Reqd* Relevant experience with a large manufacturing/process industry * *Cont* ABC Consultants Pvt Ltd, 43/3 Hazra Road, Calcutta 700019 (S - 30.9)
- GENERAL MANAGER (Projects) * New Delhi * *Sal* NS * *Age/Qlfn* 45-50 years * Graduate in mechanical/metallurgical engineering * *Reqd* Seasoned steel industry personnel with a sound project management background * *Cont* Deepak Singh, Quest Consultants & Engineers Pvt Ltd, 307, Skipper Corner, 88 Nehru Place, New Delhi 110019 (BI - 1.10)
- GENERAL MANAGER (Corporate Affairs) * Delhi * *Sal* NS * *Age/Qlfn* NS * Graduate * *Reqd* 15 years experience in business of which at least 7 years in commercial and public relations * *Cont* Pra Sheth, Executive Director, Shilputsi Consultants, PBN 9386, bay 400026 (ToI - 1.10)
- GENERAL MANAGER (Consumer Business Group) * New D *Sal* NS * *Age/Qlfn* 30-35 years * PG in management * *Reqd* 15 experience in brand marketing of which at least 5 as a divisi profit head * *Cont* Director-Personnel, Dalmia Bros. Pvt Lt Floor, Devika Towers, 6 Nehru Place, New Delhi 110019 24.9)
- COMPANY SECRETARY * Delhi * *Sal* NS * *Age/Qlfn* 40-45 y CS and law graduates * *Reqd* Minimum 10 years relevant ex ence at a senior level in an organisation of repute * *Cont* C Consultants Pvt Ltd, 19-D, Basant Lok, Vasant Vihar, New 110057 (S - 26.9)
- GENERAL MANAGER (Exports) * Ludhiana * *Sal* NS * *Age* 35-40 years * Qualifications from IIFT * *Reqd* Knowledge of engineering industry and skill to negotiate long-term tie-up *Cont* General Manager (Personnel), Hero Cycles Ltd, Hero N G.T. Road, Ludhiana 641003 (HT - 28.9)

SOUTH

- GENERAL MANAGER (Exports) * Madras * *Sal* NS * *Age* 35-40 years * Engineer or MBA * *Reqd* 10 years experien marketing of which at least 5 in export business * *Cont* Pra Sheth, Executive Director, Shilputsi Consultants, P.B. No. Bombay 400026 (ToI - 1.10)
- GENERAL MANAGER (Operations) * Madras * *Sal* NS * *Age* NS * Engineer * *Reqd* In-depth knowledge of consumer electr TVs, audio or both * *Cont* The Director, Solidaire India Ltd, 14 Main Road, Gandhi Nagar, Adyar, Madras 600020 (ToI -
- GENERAL MANAGER * South India * *Sal* NS * *Age/Qlfn* NS * uates in chemical engineering, preferably with additional fications in management * *Reqd* In-depth knowled implementation and operation of fertiliser and petroche projects is essential * *Cont* The General Manager (HRD) Parry (India) Ltd, P.O. Box No.12, Madras 600001 (ToI -

OVERSEAS

- GENERAL MANAGER * Saudi Arabia * *Sal* NS * *Age/Qlfn* years * Chemical engineer with MBA * *Reqd* * *Cont* Al Gha group of Companies, C/o Zulfikar Enterprises, Sunraaz Re rant Building, SNDT University, Juhu Road, Santacruz (W), bay 400029 (ToI - 30.9)

ecutive positions

TOI — Times of India; *IE* — Indian Express; *H* — The Hindu; *S* — Statesman; *HT* — Hindustan Times; *ET* — Economic Times; *Econ* — Economist; *BI* — Business India

IONAL

NAGER (Imports/Exports) * Bombay * *Sal* Around Rs.74,000 * *Age/Qlfn* Around 38 years * Graduate, preferably science, with iploma in import management * *Reqd* At least 8-10 years rele- t experience * *Cont* Corporate Personnel Department, Glaxo ia Ltd, Dr. A.B. Road, Worli, Bombay 400025 (ToI - 1.10)

RSONNEL MANAGER * Madras * *Sal* NS * *Age/Qlfn* 30-35 years G in personnel management/industrial relations * *Reqd* At least years relevant expereince of which 2 in managing a unit/divi- n of large firm * *Cont* PEM/MDS/50, Madhusudan, Director, C Consultants Pvt Ltd, 4 Khader Nawaz Khan Road, Madras 0006 (ToI - 24.9)

ODUCTION MANAGER * Ghaziabad * *Sal* NS * *Age/Qlfn* 32-35 rs * Engineer * *Reqd* 8-10 years experience in industry, manu- turing mass consumer products like cigarettes, tea, packaged d, pharmaceuticals etc * *Cont* General Manager (Commercial & sonnel), Godfrey Phillips India Ltd, Four Square House, 49 mmunity Centre, Friends Colony, New Delhi 110065 (ToI - 3.10)

RKETING MANAGER * Ahmedabad * *Sal* NS * *Age/Qlfn* 30 rs * Graduates/MBA/CA * *Reqd* Minimum 7-10 years outstand- record of sales management * *Cont* Executive Vice President RD), Modern Group of Industries, 709 Ansal Bhavan, 16 Ka- rba Gandhi Marg, New Delhi 110001 (ToI - 3.10)

NAL MANAGERS * Indore/Pune/Nagpur * *Sal* NS * *Age/Qlfn* 30 years * PG management diploma in sales/marketing * *Reqd* years experience in a reputed organisation and in a respons- e position selling consumer products * *Cont* Corporate Recruit- nt & Selection Manager, Johnson & Johnson Ltd, 30 Forjett eet, Bombay 400036 (ToI - 5.10)

PARTMENTAL HEAD (Information Systems) * NS * *Sal* NS * *e/Qlfn* NS * PG in computer programming/applications from a ognised university/institute * *Reqd* 4-5 years experience in de- opment of applications in a PC environment with Lotus/Dbase lities * *Cont* The Senior Manager (P&A), Fag Precision Bearings nited, Maneja, Vadodara 390013 (ToI - 5.10)

NAGER (Quality Control) * Bombay * *Sal* NS * *Age/Qlfn* 35-40 rs * M.Sc in organic chemistry and PhD in polymer science * *qd* 10 years experience in organic/petrochemical industry of ich at least 5 in a managerial position * *Cont* Manager (Man- wer Planning & Development), Polyolefins Industries Ltd, PB , Thane 400601, Maharashtra (ToI - 5.10)

CHNICAL MANAGER * Near Madras * *Sal* NS * *Age/Qlfn* NS * gg/science graduate, preferably with LPRI * *Reqd* Minimum 7 rs relevant experience * *Cont* The Corporate Personnel Dept, RF Ltd, Tarapore Towers, 826 Anna Road, Madras 600002 (ToI - 0)

NAGER COMMUNICATIONS * Bombay, Delhi, Calcutta and dras * *Sal* NS * *Age/Qlfn* NS * Engineer in telecommunication or mputer technology/science * *Reqd* Minimum 2 years experience design and implementation of large computer networks or aintenance of wide area networks * *Cont* Box M 098-S, Times of dia, Bombay 400001 (ToI - 24.9)

JALITY MANAGER * Madras * *Sal* NS * *Age/Qlfn* Around 40 rs * Graduate/PG mechanical engineer * *Reqd* 15 years experi- ce in quality control in high precision light engineering industry th good knowledge of modern concepts of quality management * *nt* The Personnel Manager, Fuel Injection Equipment Division, cas TVS Ltd, Padi, Madras 600050 (ToI - 24.9)

- TECHNICAL MANAGER (Software Export Industry) * New Delhi * *Sal* NS * *Age/Qlfn* NS * MS/M.Tech/Ph.D degree in electronic engineering or computer science from an Indian or American university * *Reqd* Previous experience of at least 5 years in managing development of software * *Cont* MS/4964, A.F. Ferguson Associates, Hansalaya, Barakhamba Road, New Delhi 110001 (ToI - 24.9)

OVERSEAS

- FINANCE AND SYSTEMS MANAGER * Saudi Arabia * *Sal* NS * *Age/Qlfn* 33 to 45 years * CA * *Reqd* Costing background and hands on experience with computer systems * *Cont* Al Ghazzawi group of Companies, Zulfikar Enterprises, Sunraaz Restaurant Bldg, Juhu Road, Santacruz (W), Santacruz 400049 (ToI - 30.9)
- HEAD OF SYSTEMS SUPPORT * Qatar * *Sal* NS * *Age/Qlfn* NS * Graduates in computer science or engineering * *Reqd* 10 years experience in an IBM VM/VSE SNA environment * *Cont* RM/F-4085, Datamatics Staffing Services, Post Box No.106, GPO, Bombay 400001 (ToI - 7.10)
- PLANT MANAGER * Muscat * *Sal* NS * *Age/Qlfn* Below 40 years * B Tech/BE preferably chemical engineering with petrochemical specialisation * *Reqd* 10 years experience in LPG/industrial gas plant management functions * *Cont* Professional Profile, GPO Box No.291, Bombay 400001 (ToI - 7.10)
- PRODUCTION MANAGER (Safety Matches) * Kenya * *Sal* Attractive * *Age/Qlfn* 35-45 years * Graduate mechanical/chemical engineers * *Reqd* 10-15 years relevant experience in modern automated match plant * *Cont* CMP/F-4094, Datamatics Staffing Services, P.B. No.106, GPO, Bombay 400001 (ToI - 7.10)
- MARKETING MANAGER (MM/AR) * Muscat * *Sal* RO 400-450 pm + family accommodation * *Age/Qlfn* 30-35 years * Engineers * *Reqd* 5-7 years experience in design and sale of airconditioning and refrigeration systems * *Cont* Walter Vieria, Director, Marketing Advisor Services, 205 Eric House, 16th Road, Bombay 400071 (ToI - 7.10)
- COMMERCIAL MANAGER * Iceland, Europe * *Sal* MS * *Age/Qlfn* Around 36 years * MBA preferably * *Reqd* 5-7 years experience in commercial disciplines like purchasing and shipping * *Cont* Pratibha Sheth, Executive Director, Shilputsi Consultants, P.B. No 9386, Bombay 400026 (ToI - 30.9)

VICE PRESIDENT – MARKETING

NEW DELHI

ATTRACTIVE SALARY + FLAT + CAR + PERKS

We have been retained by a professionally managed, well diversified, multicrore Industrial Group to select an outstanding Marketing Head for one of its Companies which is **poised for major growth in hospitality industry and travel trade.**

The incumbent will head the Sales & Marketing Division and report to the Chief Executive. Key Result areas include: (a) **Formulation & Implementation of short and long term market plans** (b) **Meeting Business Objectives** in line with Corporate philosophy (c) **Designing Marketing Strategies** (d) **Supervising and Controlling All-India Sales Operations.**

The ideal candidate would be an MBA from reputed institute with 15-20 years experience in concept/institutional selling. He should have been Head of Marketing for at least 5 years. **Experience in hospitality/travel trade for some time will be a distinct advantage but is not essential.**

Please write in strict confidence within 10 days, mentioning your contact telephone numbers in the bio-data, to:

DEEPAK SINGH
QUEST CONSULTANTS & ENGINEERS PVT. LTD.
307, SKIPPER CORNER, 88, NEHRU PLACE
NEW DELHI-110019.PHONE: 6465649

ANUBHUTI

ASST. VICE PRESIDENT - EXPANSION
SHIPPING

DELHI **EXCELLENT REMUNERATION**

TCI Group, a large, highly diversified business house with a turnover of around Rs. 170 crores requires a dynamic and result oriented person to give shape to and lead the expansion program of its Shipping Division.

The incumbent will report to the Managing Director and be responsible for drawing out expansion plans, conducting feasibility studies thereof, obtaining clearances from Government and other statutory bodies, negotiating with financial institutions and banks, mobilisation of additional fleet and formulation of strategies for business and operations.

Applicants should be Mechanical Engineers, preferably with specialisation in Business Management with about 15 years experience in managing commercial aspects and operations of Shipping related business, of which at least 5 years should have been in senior levels of management involving policy formulation and planning. They should have high conceptual skills, be fully familiar with all regulations connected with Coastal and International Shipping and be able to organise new business from grass roots.

Age: around 40 years.

Compensation package will include all the perks and benefits that go with Senior Management positions.

Applications, with complete curriculam vitae should be sent within 10 days to:

The Managing Director
Transport Corporation of India Ltd.,
Hindustan Times House, 10th Floor, 18-20; Kasturba Gandhi Marg, NEW DELHI - 110 001.

Sista's-TCI-283/90

HINDUSTAN SYNTHETIC FIBRES

A Polyester Yarn manufacturing Company having present turn over of over Rs. 100 Crores, requires for posting in Delhi for the following positions :

1. **VICE PRESIDENT (FINANCE)**
   The incumbent will be responsible for all financial matters relating to Financial Institutions and Banks. He will be reporting to the Managing Director. He should be in the age group of 40-45 years. He should have minimum 10 years experience in senior positions.
2. **VICE PRESIDENT (COMMERCIAL)**
   The incumbent will be responsible for the purchase of raw materials, stores, machineries, imports of raw materials/spares and Capital Goods etc. He will be reporting to the Managing Director. He will be assisted by a team in each functional area. He should have experience of minimum 10 years with exposure to commercial areas including imports.
3. **GENERAL MANAGER (LIAISONING)**
   The incumbent should have minimum 10 years experience in Liaison with Govt. deptt. He should be familiar with all the Liaisoning work with various Ministries, Govt. of India and with JCCI&E, CCI&E etc. He shall be reporting to Executive Director and will be assisted by the concerned officers.
4. **EXECUTIVE MANAGER TO THE MG. DIRECTOR**
   The incumbent should have minimum 10 years commercial experience and in the age group of 35-40 years. He shall be collecting the necessary day to day informations/datas from the concerned departments and shall be reporting to the Managing Director.

Compensation and perks will be attractive for the above positions and will not be a limiting factor for the right candidates.

Please write in strict confidence within 10 days with full bio-data and salary presently drawn to —

The Managing Director,
Hindustan Synthetic Fibres,
"Pipe House", 56, Hanuman Road,
New Delhi-110 001.

ABC's major specialisations include Corporate Consultancy • SWOT Analysis • MIS • Operations Research • Industrial Engineering • Systems & Procedures • Project Reports • Data Processing • Materials Management • Organised Cost Reduction • Software Packages • Insurance Consultancy • Computer Feasibility • Socio-Economic Studies

INDO-US JOINT VENTURE

Carbonated Beverages

Madras

Our client, a well established Industrial Group with a successful track record, is diversifying into the field of beverages with American collaboration. The products are considered the best in terms of quality as compared to existing brands in the country. They are in the process of setting up the Corporate office for the Indian operations and are looking for high calibre professionals for the following top positions.

VP / GM – MARKETING

He will head the entire marketing & sales functions and will have total accountability for capturing a sizeable market share in a short span of time amidst stiff competition. He will provide high level inputs for identifying target markets, developing market strategies, brand positioning, distribution management, advertising & sales promotion on a national scale, etc. Candidates should have qualifications in Business Management/Marketing with 12-15 years proven track record in marketing & sales of consumer products preferably beverages. Should have successfully launched new products on an All India basis. Age: 35-40. Code: VPG/MDS/31.

GM – FRANCHISE

He will play a key role in developing franchise operations all over the country. Responsibility will include identifying potential franchisees, evaluating credentials, commercial negotiations, overseeing the setting up of bottling plants and monitoring their performance. Candidates should have a strong commercial background with a proven track record of experience in marketing/commercial functions having atleast 5 years experience in Franchise development. Technical background or exposure in setting up bottling plants would be advantageous. Age: 35-40. Code: GMF/MDS/32.

SENIOR MANAGER

Bottling Plants

He will be responsible for setting up bottling plants at various locations within specified cost and time parameters. He will provide all the technical inputs for design, equipment specification & selection, erection & commissioning, etc. He will also monitor performance of the plants and provide technical assistance for trouble shooting and improving performance. Candidates should be Engineering Graduates with around 12 years relevant experience at responsible levels. Age: 35-45. Code: SMP/MDS/33.

SENIOR MANAGER

Quality Assurance

He will be responsible for setting standards of quality for concentrates and soft drinks manufacture. He will prescribe methods & procedures for inspection of all incoming/inprocess materials & final products and maintain strict control on all quality parameters. He will also co-ordinate with various bottling plants for maintaining quality standards. Candidates should have strong Chemistry background preferably with qualification in Food Technology with around 12 years relevant experience in similar products. Should be capable of providing the necessary R&D inputs for improvement in product quality. Age: 35-40. Code: SMA/MDS/34.

The compensation package will be attractive. Please write to M Madhusudan, Director and mark the envelope & enclosures with appropriate job title & code.

ABC CONSULTANTS PRIVATE LIMITED

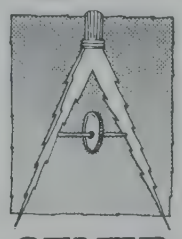
4, Khader Nawas Khan Road, Madras 600 006 Tel 470778

BE WHERE THE EXCITEMENT IS... AND GROW.

RPG Enterprises, one of the foremost industrial powerhouses in India, which through its licensee companies has an annual sales turnover of around Rs. 2,000 crores and which has projects over Rs. 2,000 crores in the pipeline, both, in India and abroad, is looking for three individuals of rare calibre to form their brainstrust. As part of the Corporate Cell they will be involved in business planning, new projects, feasibility studies, foreign collaborations, monitoring project implementations, restructuring of business units, acquisitions, mergers, etc.

Opportunities for fast growth are excellent as these individuals will be groomed to take over total profit centre responsibilities in quick time.

GENERAL MANAGER/ SENIOR MANAGER – TECHNICAL



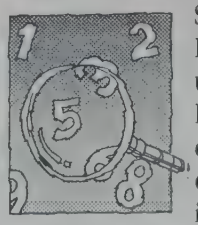
Should ideally have an Engineering-MBA degree and be in his early thirties. He will be expected to help in the technical evaluation of new and existing projects in a wide range of technologies, look at existing technology-cum-product upgradation and assist in strategic moves of the Group.

GENERAL MANAGER/ SENIOR MANAGER – FINANCE



Should have a C.A. or MBA degree in finance or could be a professional banker with experience of merchant banking. The candidate may also have worked in a management consultancy firm. He should have experience of putting together project proposals for financial institutions and government agencies. He will be expected to assist in making business plans for the companies, assisting in public issues, funding plans, etc. He will be responsible for commercially vetting projects and for dealing with financial institutions. He should be in his thirties with 7-10 years of relevant experience.

SENIOR MANAGER – MARKET RESEARCH



Should possess a Business Management degree from one of the IIMs (preferably with an Engineering degree) and an indepth understanding of qualitative and quantitative market research. He will be responsible for co-ordinating the market research commissioned to agencies and also conducted in house. Relevant experience in one of India's top market research companies or in a consumer product industry is required. He should be in his thirties with about 7 years of relevant experience.

The positions will report to the President-Corporate and the individuals will interact closely with the Group Chairman in the development of strategic business plans. The positions are based in Bombay and remuneration is not a constraint for the right person.

Apply in strict confidence with a detailed achievement record to:

Mr. S.M. Kulkarni,
President-Corporate,
RPG Enterprises Ltd., Ceat Mahal,
463 Dr. Annie Besant Road, Worli,
Bombay 400 025.

RPG ENTERPRISES

hilputsi

Shilputsi Consultants have been retained by **Chemplast (India)** to recruit a

GENERAL MANAGER – EXPORTS

MADRAS

Chemplast is a fast growing, diversified, professionally managed group with a turnover along with associate companies of Rs. 300 crores. They have several tie-ups with world leaders in chemicals.

The company visualises good business opportunities in the export market for its own as well as third party products. It's objective is to set up a sound export business which will exploit business opportunities and earn valuable foreign exchange for the country.

The Job: The General Manager – Exports will be responsible for augmenting and consolidating the Company's export efforts. In addition to exporting a wide range of products in engineering and chemicals that the company manufactures in-house, he will seek opportunities for merchant exports of goods manufactured by third parties. The G.M. Exports will be responsible for identifying foreign markets, trade opportunities and building long term relationships with the buyers. He will also build a team of export managers to take care of the expanding business.

Qualifications: The ideal candidate will be an Engineer or MBA with about 10 years experience in marketing of which at least five should have been in the export business. He must have a strong commercial sense and familiarity with export procedures.

Age: 35 to 40 years.

Remuneration: The Company offers an excellent package and remuneration will not be a constraint for the right candidate.

Please apply in strict confidence to:

Ms. Pratibha Sheth
Executive Director
Shilputsi Consultants,
P.B. No. 9386,
Bombay-400 026.

TECHTRAN POLYLENSES LTD.

REQUIRES

GENERAL MANAGER (PROJECTS)
GENERAL MANAGER (FINANCE)

The Company : An innovative, state-of-the-art, high technology, 100% E.O.U. project of about Rs.18 crores, with foreign collaboration to manufacture Plastic Ophthalmic Lenses, to be located in the close proximity of metropolitan twin cities of Hyderabad - Secunderabad. The project is set up by NRI professionals who believe in excellence in Management, Quality and Customer Service.

▶ GENERAL MANAGER (PROJECTS)

Qualification: Degree in Engineering. Advanced training or course work in Systems Engineering or Project Management is desirable.

Experience: About 10-15 years broad based experience in Project Engineering, Project Management, Manufacturing, or Maintenance in any Manufacturing Industry, out of which atleast 3-5 years should be as a Project Engineer/Manager with hands-on experience in handling and commissioning of Manufacturing or Process Plants.

Wide experience relating to Mechanical, Civil and Electrical Engineering aspects of project implementation would be an advantage.

Knowledge of PERT/CPM Techniques, Project Financing and appreciation of financial aspects is desirable. Experience with surface curve generation equipment, modular assembling systems, curing and tempering ovens, milling and brushing apparatus, air conditioning and cold storage systems will be beneficial. Specific experience in Ophthalmic Lense Fabrication and Manufacturing areas would be highly preferred.

Job: The responsibilities of the position include successful execution of the Project from the Drawing Board Stage to Start Up and Commissioning. It would involve negotiations with Vendors, Detailed Engineering of Project, Interacting with Consultants and Contractor, Identification and Organisation of the Procurement of indigeneously Fabricated/ Supplied Equipment, liaison with foreign collaborator for effective Transfer of Technology. Should smoothly co-ordinate various activities of Project Implementation with other Staff and Departments of the Company.

▶ GENERAL MANAGER (FINANCE)

The applicant should be a Chartered Accountant or an MBA (Finance).

Experience: About 10/15 years experience in a reputed organisation involved specifically in Export/Import activity.

Job: The job involves formulation and implementation of corporate policies/strategic plans, mobilisation of finance, coordination with financial institutions & commercial banks, project cost management MIS, tax planning, management accounting and finalisation of accounts

The applicants are requested to send their detailed resume, passport size photograph and the present and expected salary within 10 days from the date of this advertisement. All applications would be treated confidential.

Compensation and perks shall commensurate with experience and qualifications.

The Managing Director,
TECHTRAN POLYLENSES LTD
1198, Road No: 59, Jubilee Hills,
HYDERABAD - 500 034.

Shilputsi

Shilputsi Consultants have been retained by Apollo Tyres Ltd., to recruit the following Senior Personnel for their new plant at **Baroda.** Apollo Tyres is a leading company in the tyre industry. In addition to their current operations, the company is implementing a new tyre project with an investment of over 160 crores at Baroda.

GENERAL MANAGER – COMMERCIAL

The Job: The General Manager will be in overall charge of all the commercial activities for the new project. He will be responsible for factory accounts, excise, costing as well as local purchases and stores.

The Person: A Chartered Accountant/MBA with 10-15 years of experience of which at least 5 years should be in a process plant. Team building and strong commercial acumen would be key attributes.

Age: 35-40 years.

CHIEF ENGINEER

The Job: The Chief Engineer will lead a team of highly qualified engineers and will be responsible for all engineering activities at the plant including maintenance, utilities and installation & commissioning of new equipments.

The Person: Ideally the candidate would be a Mechanical or Electrical Engineering graduate preferably with postgraduate qualifications with at least 10-15 years of experience in a process plant, of which 5 years should be in a senior management position. Team building and adoption of contemporary techniques in plant engineering would be key attributes.

Age: 35-40 years.

The company offers a challenging work environment and accelerated growth opportunities for achievement oriented professionals. The compensation package will not be a constraint for the right candidates.

Please write in strict confidence to:

Ms. Pratibha Sheth
Executive Director,
Shilputsi Consultants,
P.B. No. 9386,
Bombay-400 026.

A leading Delhi based international trading company needs outstanding export professionals with specialised knowledge of international marketing and product sourcing for key management positions in its export operations. The company which deals in the manufacture, trade and export of diverse product groups, offers excellent opportunities for advancement and overseas postings

GENERAL MANAGER – MARKETING

(MS/4965)

Delhi **Age : Around 40 years**

Would be responsible for directing and controlling the export marketing of the company's rapidly expanding engineering operations. Applicants should be engineering graduates with 10-15 years experience in export marketing. IIFT qualification would be an added advantage. Knowledge of sourcing essential.

GENERAL MANAGER – CHEMICALS

(MS/4966)

Delhi or Bombay **Age : Around 40 years**

Head of product group: would be responsible for building chemicals export operation which has been identified as a key result area. Graduates in chemical engineering or chemistry, with additional management qualifications preferred. 10-15 years experience in the marketing and export of industrial chemicals, agro-chemicals, dyes/dye intermediates and other chemicals with export potential required. Applicants should be conversant with domestic and worldwide sourcing.

GENERAL MANAGER – PHARMACEUTICALS

(MS/4967)

Delhi or Bombay **Age : Around 40 years**

Head of product group: would be responsible for developing business in target export markets, identifying product needs and quality suppliers. Applicants must be graduates/post-graduates in pharmacy with 10-15 years experience in product sourcing, development and export marketing. Familiarity with international trends in pharmaceuticals essential.

GENERAL MANAGER – AGRO PRODUCTS

(MS/4968)

Delhi or Bombay **Age : Around 40 years**

Head of product group: would be responsible for selection of export markets, products and suppliers. Graduates in Agriculture with 10-15 years hands-on experience in procurement and international marketing of agro-products such as oil seeds, oil seed extracts, cashews, pulses, cereals, tea/coffee, castor oil, tobacco, molasses and spices preferred.

SEINOR PRODUCT MANAGERS

(MS/4969)

Delhi **Age : Around 32 years**

Responsible for planning and formulating market strategies for diverse product groups such as textiles, yarn, leather, agro-commodities, chemicals, pharmaceuticals and electronic products. They will identify products for target markets, obtain orders and ensure their sourcing and execution. Applicants must be appropriately qualified engineers in relevant disciplines, leather technologists, pharmacists etc. MBA and IIFT qualification would be an advantage. 5-7 years experience and a thorough knowledge of international markets and sources in the area of specialization is essential.

The compensation package for all the positions is entirely negotiable and will compare with the best in industry.

Please apply in strict confidence within 10 days to:

A F Ferguson Associates
Hansalaya, Barakhamba Road
New Delhi 110 001

giving full details of age, qualifications, work experience, salary drawn and telephone contact numbers. All applications and envelopes must be marked with the relevent **Ref. MS numbers.**

ABC's major specialisations include Corporate Consultancy

AUTO-COMPONENT INDUSTRY

CHANDIGARH ATTRACTIVE TERMS

Our clients are a professionally managed & rapidly expanding organisation having **multi-locational auto-component units in North India** with an existing turnover of around Rs 35 crores. They are currently engaged in a major expansion/diversification programme and have plans to enhance their sales turnover to over 150 crores in the next 2-3 years. To supplement their augmented needs, they require the following top-notch professionals.

GENERAL MANAGER-QUALITY CONTROL

The incumbent will head the **quality control functions** for the company's existing & new product lines including **quality assurance, quality audit, quality analysis and inspection of vendor items.** He will also be responsible for setting norms & systems at each stage of production. Candidate should be a Metallurgical/Mechanical Engineer having around 15 years relevant experience in an auto component/light engineering-mass production industry. Preferred Age : 35-40.
Code : GMQ/DEL/ 1150

GENERAL MANAGER-PRODUCTION

The incumbent will have overall responsibility for **all technical functions including planning, production, maintenance etc.** He will achieve pre-determined production targets within given quality and cost parameters, maintain plant & equipment at peak performance levels and constantly initiate and implement methods and process improvement studies. Candidate should be a Mechanical Engineer having around 15 years relevant experience in an auto component/light engineering-mass production industry. Preferred Age : 35-40. Code : GMP/DEL/1151

SALARY AND PERQUISITES WILL BE COMPARABLE WITH THE BEST IN THE INDUSTRY AND WILL NOT BE A LIMITING FACTOR FOR THE RIGHT CANDIDATE.

Please write in strict confidence to **A. K. Matta, Manager** within 10 days with detailed bio-data quoting relevant job title & code.

Personnel Selection Division

ABC CONSULTANTS PRIVATE LIMITED

209 Meghdoot, 94 Nehru Place, New Delhi-110 019 Phone : 6464380.

Project Reports • Operations Research • Industrial Engineering • Systems & Procedures • Computer Feasibility • MIS • O&M

Socio-Economic Studies • Materials Management

Organised Cost Reduction • SWOT Analysis • Data Processing

Apollo Tyres Ltd. wishes to strengthen its head office at Delhi by recruiting senior management personnel. In the past few years the company has had a record of one of the best performances in the tyre industry. Currently the company is setting up a second tyre plant that will double its existing capacity and result in a turnover of Rs. 500 crores p.a. The company is in the process of change with a view to developing a greater degree of professionalisation.

For all the positions given below the company offers an excellent compensation package that includes housing in South Delhi, car with driver reimbursement and the usual allowances that go with senior level positions.

GENERAL MANAGER (HRD)

(MS/4972)

The selected candidate will be responsible for development and implementation of human resources development policies and procedures throughout the Group. Specifically he will be responsible for manpower planning, executive selection, management training and development, performance appraisal policies and procedures, compensation and personnel policies. He will be responsible for further developing a professional work culture. He will also be overall responsible for the administration function at head office. The entire personnel and administration department will report to him.

Candidates should have a good degree in personnel management from a reputed institution. They should have had at least 15 years experience in the HRD function, out of which at least 3-5 years should have been as head of HRD preferably in a multilocational manufacturing organisation.

Preferred age : 35-40

GENERAL MANAGER (MARKETING)

(MS/4973)

The selected candidate will be responsible for the entire marketing, sales and distribution functions. He would be responsible for developing and implementing marketing strategies, and building up the marketing support functions. The entire sales and distribution organisation would report to him.

Candidates should have had around 15 years marketing and sales experience in a highly competitive environment, out of which preferably 3-5 years should have been at an all India level in a market driven company. They should be MBAs from one of the premier management institutes; and should combine strong leadership qualities with creative and analytical abilities.

Preferred age : 35-40

GENERAL MANAGER (FINANCE)

(MS/4974)

The selected candidate would be responsible for overall financial planning, capital structuring for new projects and working capital management. He would also be responsible for management of foreign exchange and investments. The candidate would be expected to interact with financial institutions and banks at senior levels and lead a team of competent professionals. He should have a good exposure in corporate taxation and tax planning.

Candidates should have at least 10 years experience in working capital as well as project finance and/or merchant banking and should have worked at a senior level in the treasury functions in the private corporate sector. By qualification they should be Chartered Accountants, or MBAs with specialisation in finance. The position would report to the Vice President (Finance).

Preferred age : 35-40

Please apply within 10 days to:

A F Ferguson Associates
Hansalaya, Barakhamba Road
New Delhi 110 001

giving full details of age, qualifications, work experience, salary drawn and telephone contact numbers. All applications and envelopes must be marked with the relevent **'MS' numbers.**

TRISTAR BOYDEN

Our client is a reputed service organization with a 40 year track record with **current turnover of Rs. 100 crores.** Strong connections with multinationals and extensive affiliations overseas, supported by **offices in Canada and USA.**

They wish to consolidate on their strengths and create **a division solely for international trade,** for which they need :

GENERAL MANAGER – INTERNATIONAL TRADE, BOMBAY

The candidate would be in the 35 to 40 age group with a sound academic record, leadership and communication skills. **10 to 15 years experience in marketing consumer and industrial goods** in different overseas markets. Of additional value will be experience in dealing with the eastern bloc, direct involvement in the **setting up of joint venture plants in India or overseas.** And the creation and administration of a supply network for merchant trading.

The client is interested in starting with trading but consolidating thereafter by setting up export related manufacturing facilities. The individual would be required to organize the division with a view to make it grow into a well defined business and independent profit centre.

He will report to Managing Director.

EXPORT MANAGER – INTERNATIONAL OFFICE

Around 30 years of age, with at least 5-7 years experience in international business, preferably with exposure to North America and European markets. And hands on experience of market development and customer contacts.

The person would be cultured, widely travelled and acquainted with the needs of international consumers. After acclimatization with the organization in Bombay, the person will be based in one of the international offices, from where primary market development and buyer servicing will be controlled. The individual will be responsible for closely liasing with the Indian office, for development of products suited to the various markets.

The individual will report functionally to General Manager and administratively to the Director based overseas.

COMMERCIAL MANAGER – INTERNATIONAL TRADE, BOMBAY

Around 30 years old, with at least **5-7 years experience in international business,** preferably with a strong background in the support functions of international trade viz **supplier development and control, product development, Government and Quasi Government relations, administration of shipping and claiming of incentives.** Whilst the commercial side is of primary importance, of considerable added value will be direct interface with overseas buyers and close interaction in the development of products for the buyer's markets.

The client would like to provide inter-functional mobility and a strong commercial background will be considered an asset for an international marketing position in the future.

The position will report to General Manager.

The compensation package will be tailored to attract the best talent. Housing is not available. However, for the right candidate, a suitable package will be devised which supports this requirement.

Contact us or mail your resume with photograph and phone numbers within 10 days to :

TRISTAR CONSULTANTS
(Leaders in Senior Executive Search)
IN AFFILIATION WITH BOYDEN WORLD CORPORATION, NEW YORK
616, Maker Chambers V, Nariman Point, Bombay 400 021. Tel: 233905, 240377, 2047428
Ahmedabad/Bangalore/Baroda/Calcutta/New Delhi/Madras/Pune.

LINTAS TB VAC 1 2115

CIRCULATION MANAGER

Hong Kong

Attractive salary + housing allowance

Our client is a reputed magazine publishing company in Hong Kong and Singapore. The company is the largest publisher of top quality consumer/women's magazines in Hong Kong and also engages in media representation, print and colour separations management and contract publishing.

We have been retained to recruit a Circulation Manager for the company, who will be responsible for the implementation of all aspects of circulation marketing and plan direct mail campaigns. The job involves boosting circulation through promotional effort, enhancing image awareness, establishing an identity for the products, identifying new distribution outlets, and developing markets. Additionally, he will also be responsible for preparation and execution of budgets and sales/marketing plans. The Circulation Manager will report to the Publisher.

The incumbent must possess a formal marketing background and be familiar with computer applications. A good track record in image creation/brand personality development and excellent spoken and written communication skills are underscored.

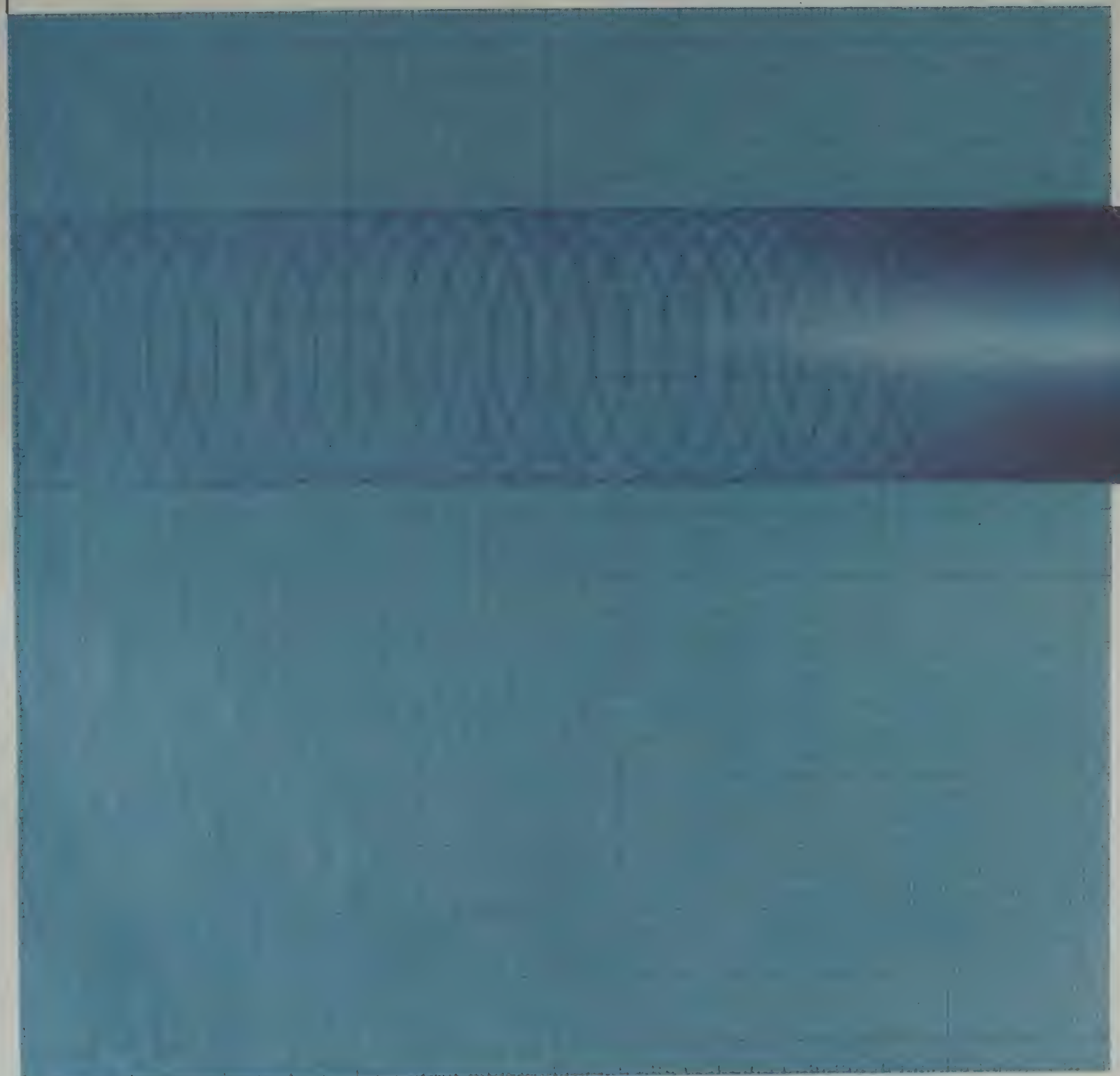
Preferred Age: Around 30 years.

Please apply in strict confidence within 10 days to:

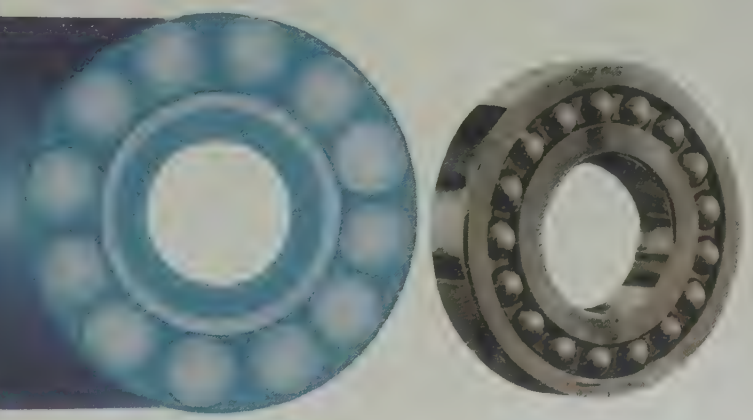
A.F. Ferguson & Co.
P.O. Box No. 1786
Bombay 400 001.

giving full details of age, qualifications, experience and salaries drawn. All applications and envelopes should be marked "Ref. MS/5591". Candidates not contacted within three months of application, may assume that they are not being considered.

MACHINE'S HEARTBEAT.



Moving the heart of the machines
(and competing nose-to-nose with world giants)



Bearings. One of the most critical inventions of humanity, making sophisticated engineering possible. The silent, pounding heart of the machines.
Manufacture of bearings is a high-tech process, requiring extreme precision and total dedication to quality. No wonder there are only a few manufacturers in India, their names resonant throughout the engineering industry: SKF, FAG Precision, NBC, Tata Bearings, Antifriction Bearings, HMT Bearings. For making this high-precision product, they import tubes from overseas giants.
And buy from Indian Seamless.

I·N·D·I·A·N S·E·A·M·L·E·S·S

THE INDIAN SEAMLESS METAL TUBES LTD.

Regd. Office: 6E, Ramabai Ambedkar Road, Pune 411 001 (India)

India's most versatile seamless tube company

PRESSMAN

We share
the lifeblood of
an agri-community.
And the secrets of the soil.



A spirit of enterprise.
For the welfare of mankind.

Fertilizer. A critical need that touches the life of every farmer. At The Andhra Sugars, this need has been a cause for concern. And the reason for setting up a fertilizer plant as far back as 1960, for the manufacture of superphosphate. An essential fertilizer for sugarcane, paddy, tobacco and other crops. 100 tonnes of superphosphate per day, are produced at the plant, to meet the growing demand. The result, the farming community is assured of a steady supply of fertilizer, resulting in greater crop yields.

Over four decades have seen the change in The Andhra Sugars. An enterprise that began as a modest sugar factory, today produces a range of chemicals such as industrial alcohol, acetic acid, acetic anhydride, ethyl acetate etc. Chemicals that find wide application in a host of industries - pharmaceuticals, paper, textiles...

The Andhra Sugars has the credit for being one of the largest manufacturers of Aspirin in India. A capacity of 500 tonnes per annum. Contributing a major share to the country. The inorganic chemicals complex at Kovvur, produces a range of chemicals - sulphuric acid, caustic soda, caustic potash, chlorine, hydrochloric acid, alum etc. Catering to a vast cross section of industry, such as aluminium, paper, drugs, dyes, textiles etc.

The story of The Andhra Sugars has been one of planned growth and diversification. Soon, The Andhra Sugars will be diversifying into oils, soaps and petrochemicals. Now, this multi-crore conglomerate looks towards its golden jubilee year with keen anticipation and a renewed sense of commitment to industry. And progress.

THE ANDHRA SUGARS LTD.

Venkatarayapuram
Tanuku (West Godavari Dist.) Andhra Pradesh

OTS / ASL / 290

It takes so little energy to turn night into day!



Surya HPSV lamps.
Ideal for lighting highways, airports, hotels, car parks, roundabouts, factories, railway yards, docks and residential complexes. Available in 70, 150, 250 & 400 watts with matching luminaires.

- *Advanced turbo-molecular pump ensures long life, quicker ignition and low voltage start.*
- *Arc tube sealed with ceramic plug used to avoid thermal cracks and ensure shock-proofing.*
- *The arc tube does not let excess amalgam to enter the arc stream, so the lamp does not blink and is vibration-proof.*
- *Water-based coating, hence glare-free uniform light.*
- *10 times more energy-efficient and 14 times longer life-span than ordinary incandescent bulbs.*
- *2 times more energy-efficient and 3 times longer life-span than fluorescent lamps and mercury vapour lamps.*

Prakash Tubes Ltd.
(Lighting Division)
Padma Tower-1, Rajendra Place,
New Delhi-110 008.
Ph : 5710093, 5710564, 5710592.

CHAITRA-D PTL 2390 C

Also available on DGS&D Rate Contract.

SURYA

High Pressure Sodium Vapour Lamps



DON'T SAVE LIGHT
SAVE ENERGY

International quality lamps in technical collaboration with OSRAM-GEC Ltd., U.K.

BPL

BPL GROUP is a pioneer in the Electronics Industry. The Group's activities cover six product areas viz, Computers, Communications, Components, Instrumentation (Industrial, Medical & Measurement), Office Automation and Consumer Electronics.

To keep pace with its rapid growth **BPL GROUP** requires:

COMPANY SECRETARIES *(CS/90)*

Applicants should be Members of the Institute of Company Secretaries of India with 8-10 years of experience in a similar capacity from an organisation of repute. They should have sound knowledge of Companies Act, MRTP Act, Trade Mark Act, Securities and Contracts Act, FERA etc. They must be good in drafting various legal documents.

Experience in independent handling of Rights/Public Issues, Fixed Deposit Schemes, Transfer and Transmission of Shares, Stock Exchange listing requirements etc., is essential. Exposure to computerised share processing will be an added advantage.

The incumbent will hold independent responsibility for all the secretarial and legal functions of one of the Group companies and will have to interact with leading Solicitors/Councils, various local and government authorities.

Salary and perquisites match the best in the Industry and shall not be a constraint for the right candidate. Those who are seeking job challenge and career advancement, willing to work in a dynamic work environment will find our offer matching their expectations.

Preferred Age: Around 35 years.

Interested Candidates may send a detailed Bio-data describing the qualifications and career achievements, along with a recent passport size photograph, superscribing the envelope with the appropriate job reference number to:

British Physical Laboratories India Ltd.
64, Church Street, Bangalore 560 001.

ANYBODY CAN OFFER YOU A GREAT SALARY AND JOB SATISFACTION

BUT HOW MANY COMPANIES ALSO GIVE YOU AN OPPORTUNITY TO MAKE HISTORY?

At Aircommand, you will be among the few elite. A team of like-minded visionaries who will usher in a new era in India's air-conditioning industry. With a range of state-of-the-art Split Air-conditioners Heat Pump Systems. A range that will make most current Indian air-conditioners a thing of the past.

This new range will be made under an exclusive total collaboration with Mitsubishi Heavy Industries, Japan. Which will provide complete and continuing support. In terms of technology, production, marketing and servicing. Which means that every Aircommand system will be on par with the world's best.

Aircommand has a licensed capacity of 14,400 systems. A figure which, by 1993, will help Aircommand capture over 18% of India's total air-conditioning market. And also take Aircommand's turnover to a projected Rs.100 crores.

Aircommand's plant is nearing completion and commercial production is slated for end-1990.

Aircommand is now looking for dynamic professionals who would like to make history ... while they make a career.

As a key member of Aircommand's top management team, you will also participate in the formulation of corporate policy pertaining to the company's growth and profitability.

GENERAL MANAGER (MANUFACTURING)

You will be in sole charge of the establishment and development of overall plant and production facilities. You will set (and surpass) ambitious

ivity and quality control targets. Thus ensuring that ircommand system is world-class. In every way. ith our Mitsubishi collaboration, you can look l to a very rewarding training stint in Japan ... hands-on knowledge of international ditioning technology and manufacture.

You are a B.E./M.E. in Mechanical/ Electrical ering from one of the IITs or any comparable n. You have around 10 years' manufacturing nce. At least 4 years of which have been in the tion of hard consumer durables (preferably under se collaboration). Obviously, you also need to be t ease with detailed blueprints of sheet metal and component manufacture. Exposure to fully ted painting processes and heat exchange cturing would be to your advantage.

NERAL MANAGER ARKETING)

You will hold sole and independent responsibility development of overall marketing objectives. As the formulation and successful implementation of tive marketing strategies. You will also establish nsolidate a national distribution network, devise t promotion plans and develop a competitive structure.

You are a B.E./M.E. in Mechanical Engineering. n MBA in Marketing. With at least 10 years' ence in the marketing of hard consumer durables. e a creative and dynamic leader. With the proven to inspire and motivate a team of marketing sionals. To keep exceeding their own targets. Year ear.

GENERAL MANAGER (FINANCE)

You will independently handle long and short-term financial planning. As well as the development and implementation of budgetary controls and management information systems – for both project implementation and plant operation. Of course, you will also oversee the efficient execution of all routine accounting matters.

You are a top-flight professional. A Chartered Accountant. Or an MBA (Finance). Or a Cost Accountant. Preferably with the added qualification of Company Secretary. You have in-depth exposure to funding, cash management, term loans, debentures, public issues and FD management. First-hand experience in dealing with national financial institutions and relevant statutory/government bodies is a must.

All positions are at Baroda. And Aircommand's remuneration package (which includes fully furnished accommodation and company car) will not be a constraint for you.

Come, rewrite the history of India's air-conditioning industry. Write with full details (or call), within 10 days, to :

The Managing Director
Aircommand India Ltd.
36, Alkapuri Shopping Centre
Alkapuri, BARODA 390 005
Ph: 323775

AIRCOMMAND
Under technical collaboration with
MITSUBISHI
HEAVY INDUSTRIES LTD JAPAN

he air-conditioning revolution comes to India. At last.

O&M

A well established multiproduct and multidivision company with an annual turnover of Rs. 60 crores and making a turn around wishes to recruit the following Senior Personnel.

GENERAL MANAGER - FINANCE
(MS/4383)

Location: Hyderabad
Age : 45 years

The incumbent will be responsible for formulation and implementation of corporate financial policies/strategic plans, mobilisation of finance, working capital, costing, MIS, tax planning, management accounting and finalisation of accounts.

He should be a Chartered Accountant with 15 years experience in Financial Management.

DEPUTY GENERAL MANAGER - CEMENT
(MS/4384)

Location: Andhra Pradesh
Age : 40/45 years

The incumbent will be primarily responsible for planning, production, maintenance and quary management and will also be expected to assist in certain commercial areas.

He should be a Mechanical/Chemical Engineer with 10-15 years relevant experience in a process industry.

MARKETING MANAGER - CEMENT
(MS/4385)

Location: Hyderabad
Age : 40/45 years

The incumbent will be responsible for formulation and implementation of requisite strategies, sales promotion, achieving targets, team management, dealer development and related commercial aspects.

He should be a graduate with MBA/Post Graduation in Marketing and around 12-15 years of experience in cement or consumer products.

DEPUTY GENERAL MANAGER - ENGINEERING DIVISION
(MS/4386)

Location: Bangalore
Age : 40/45 years

The incumbent will directly supervise planning, production, maintenance and commercial functions. He will initially report to the General Manager of the division and is expected to take over that position in due course.

He should be a Mechanical/Production Engineering Graduate with 15 years of experience in an Engineering Industry.

ACCOUNTS MANAGERS - ENGINEERING DIVISION
(MS/4387)

Location: Bangalore/Karnataka
Age : 35/40 years

The incumbent will be responsible for the division's Accounting Function, Management of Working Capital, Budgeting, Costing, MIS and taxation.

He should be a Chartered Accountant with 6/8 years of experience.

MARKETING MANAGER - ENGINEERING DIVISION
(MS/4388)

Location: Bangalore
Age : 40/45 years

The incumbent will be responsible for the development of an effective marketing network and will spearhead the sales effort on all India basis.

He must be a Mechanical Engineer preferably with MBA/Post graduation in Marketing and around 12-15 years of experience in engineering products.

The operating environment will be challenging. Compensation is negotiable for the right candidate and will include company housing and car for senior management positions.

Applications, which will be treated in strict confidence, should be sent within 10 days to:

A.F. Ferguson Associates
Post Box No. 1261, Madras - 600 034.

giving full details of age, qualifications, experience and salaries drawn. Applications and envelopes should be marked with the appropriate MS/Reference Nos.

Crompton Greaves

Crompton Greaves LIMITED

GOA ELECTRICALS & FANS LIMITED

We are a Joint-Sector Undertaking promoted by Crompton Greaves Limited and the Economic Development Corporation of Goa. Currently, we are engaged in the manufacture of Ceiling Fans and plan to shortly enter the business of Table Fans also.

We require a WORKS MANAGER for our manufacturing facility at Ponda, Goa.

Candidates should be Electrical/Mechanical Engineers around 35 years of age with 12 - 15 years experience in Production. Experience with Rotating Machines will be an asset.

A sound integrated understanding of Production, Planning, Quality and Cost Control as well as the skill to lead a team and positively affect employee relations are key requirements for this position.

The position offers a challenging work environment and compensation comparable to the best in the industry.

Interested candidates may please apply within 10 days with complete bio-data and superscribing the envelope with the code : "GEFL-WM" to :

The General Manager (HRD),
Crompton Greaves Limited
1, Dr. V.B. Gandhi Marg,
Bombay 400 023.

PRESSMAN

AVT

EDIBLE OIL

A.V. THOMAS INDUSTRIAL PRODUCTS LTD.

We are part of a south based group of companies involved in Plantations, Edible Oils, Leather, Apparels, Biotechnology & Trading having a total turnover of around 90 crores. We are on the look out for our Soyabean Extraction Plant, a

DEPUTY WORKS MANAGER

Incumbent should be a Chemical or Mechanical Engineer with 10-15 years of proven experience in co-ordinating production, process, quality control, maintenance and factory administration. Alteast 3-5 years of experience at a managerial level is necessary.

The experience of the incumbent should be largely in the chemical process industry. Specific experience in edible oil will be an added advantage.

Our plant is located at Pandhurna which is about 90 kms away from Nagpur. The incumbent will be provided accommodation and is required to live in Pandhurna, Madhya Pradesh.

The compensation will be comparable with the best in the industry and the candidate has the opportunity for a good career growth.

The applicants are required to send their detailed resume within 15 days to:

Manager — Human Resources
A.V. THOMAS GROUP COMPANIES
22 Marshalls Road Egmore Madras 600 008

Blue Star is a multi-divisional Company with an annual turnover of Rs 175 crores. The Medical Electronics group markets and supports a wide range of sophisticated medical electronic equipment. We represent world leaders—Hewlett-Packard, Technicon and Nicolet, USA, and Hitachi, Japan, with a present turnover of approximately Rs 20 crores.

To achieve our ambitious growth plans we require:

ASSISTANT MANAGERS SALES

Bombay/Calcutta/Delhi/Madras

Job: To develop and enhance our customer base and achieve sales targets in the assigned territory.

The incumbents will also be responsible for handling big deals, commercial negotiations and leading junior sales personnel.

Requirements: Degree in Bio-medical/Electrical/Electronics Engineering with 6-8 years' experience preferably in selling medical electronic equipment. Candidates with experience in selling to hospitals will be preferred.

Graduates and post graduates in Science with MBA and relevant sales experience will also be considered.

Remuneration: Will match the best in the industry and will include incentive schemes.

Kindly apply within 10 days specifying age, educational qualifications, nature of experience and salary drawn, to the Manager-Personnel, BLUE STAR LIMITED, Sahas, 414/2, Veer Savarkar Marg, Prabhadevi, Bombay 400 025.

BLUE STAR

TOP MANAGEMENT POSITIONS

NORTH INDIA **Rs. 10,000-15,000/- p.m. + House + Car + Annual Perks.**

A successful professionally managed public quoted company with direct technical and financial participation of a large Multinational, world leader of the product line, wishes to appoint the following Top Level Professionals. The company is in light Engineering Industry, growing very rapidly and will attain a turn over of around Rs. 500 crores per annum in two years time.

BOTH THE POSITIONS REPORT TO PRESIDENT

CHIEF OF MANUFACTURING

The incumbent will head all manufacturing operations for the current as well as future products of the company. The position requires hard-core experience in areas of Machine Shop, Assembly Lines, Production/Industrial Engineering and related functions. Above all, our client is looking for a seasoned manager with qualities of leadership, ability to handle labour, special aptitude for welding a large number of manufacturing executives into an effective team to achieve agreed production targets within specified quality & cost parameters. In addition, he would be required to initiate & implement productivity improvement programmes.

Candidates should be Mechanical/Electrical Engineers preferably with Post Graduate Qualification in Management, in age group of 45-50 years with at least 20 years relevant experience in a reputed Light Engineering/Consumer Durable/Automobile Industry, out of which 10 years should be at a senior management level. Accent will be on a high level of technical competence and ability to effectively lead a team of qualified personnel. He should be Dynamic, Mature and Result-Oriented.

CHIEF OF MATERIALS

The incumbent will head the Materials Department and his responsibilities will include rapid indigenisation through effective ancillary development, materials planning and procurement of Capital Equipment, Raw materials & Bought out components /items both indigenous and imported. He will be required to identify and develop sources of supply at competitive rates and ensure timely availability. He should be able to provide leadership to a team of professionals. The company values a creative, innovative and committed approach.

Candidates should be Engineering Graduates, in age group 40-45 years with 15-20 years relevant experience in a reputed Light Engineering/Consumer Durable/Automobile Industry, out of which at least 5 years should be in a senior managerial position. They must possess strong Negotiating Skills and should preferably have knowledge of Import Regulations, Excise Formalities & Computerised Systems.

Please apply in strict confidence within 10 days giving details of age qualifications and experience with salary drawn and expected, marking envelope and enclosures with Job title and code TMP/10 to:

omam Consultants Private Limited

14-D BASANT LOK VASANT VIHAR NEW DELHI-110 057 TEL: 670821/604587

Shilputsi

Shilputsi Consultants have been retained by The Dharamsi Morarji Chemicals Co. Ltd. to recruit the following personnel for their **Roha Plant.** D.M.C.C. is a professionally managed public limited company with a turnover of over Rs. 100 crores. It has a growing business in chemicals, fertilizers and detergents with manufacturing facilities at various locations in the country.

Roha is an industrial town, 150 kms from Bombay and a number of industrial units are located there.

DEPUTY WORKS MANAGER

The Job: He will be responsible for production, labour management, quality control, maintenance and factory accounts. He will be required to create a healthy industrial relations climate.

Qualifications: The candidate must be a graduate in chemical engineering from a reputed university, with a good academic record. He should have 8 to 10 years of experience in manufacturing organic or inorganic chemicals/detergents.

Age: Around 40 years.

Remuneration: Attractive package including accommodation, car and other perks.

PLANT MANAGER (DETERGENTS)

The Job: He will be responsible for manufacturing detergents at budgeted costs and coordinating maintenance and production. He will be required to manage people, industrial relations and technical aspects of production.

Qualifications: The candidate should be a chemical engineer or M.Sc. in oil technology with a good academic record. He should have 8 to 10 years production experience with an insight into the technology of manufacturing detergents.

Age: Around 35 years.

Remuneration: Attractive package including accommodation, and other perks.

Please apply in strict confidence to:

Ms. Pratibha Sheth,
Executive Director,
Shilputsi Consultants,
Post Box No. 9386,
Bombay-400 026.

CAREER OPPORTUNITIES

Are you interested in.

- **A Career or a job?**
- **Taking on responsibilities?**
- **Stretching yourself to new heights?**

If YES, then we have just the right career opening and working environment to match your aspirations.

We are a diversified, professionally managed, **Multinational Company** engaged in the area of :

- Micro-processor based Hi-Tech products.
- Consumer products.
- Management Consultancy.

We have created a niche for ourselves in each of our present spheres of activity and have plans to expand our existing operations and to diversify into new sunrise areas.

As a result of our success, we now have career opportunities for experienced professionals to augment our existing team. Vacancies exist at Corporate level and at Zonal offices, NATION-WIDE.

(1) Marketing Manager/Product Managers

Job involves conceptualising marketing strategies, product launches, advertising and promotional activities, market analysis and related marketing tasks. ***Engineers/MBA's from the premier institutes only, having similar working experience in a reputed Indian/Multinational organisation, need apply.

(2) National Sales Manager/Regional Managers

To lead and motivate a well trained Sales-team and to work towards maximising product sales through effective development and implementation of sales programmes and policies. ***MBA's/ Engineers with proven track record and with atleast 7 years of experience.

(3) HRD Manager

Total responsibility of HR functions, desig and conducting training programs, recruitr of Senior-level Executives and Man-Power p ning. IR is also an important aspect of the ***Post-graduates from TISS/XLRI/IIMs adequate managerial experience.

(4) Administration Manager

Duties entail management of all administra functions like housekeeping, travel arrangem maintainance of office premises, liason government bodies, welfare and coordina between H.Q and Units. ***Graduate with s cient experience in large organisations.

(5) Finance Managers

Responsible for independently handling t finance activities, MIS, budgeting, Corpo Planning and taxation. ***CAs/MBAs with atl 7 years experience, preferably in computeri environment.

(6) Commercial Managers

Incharge of commercial functions, cove accounts, liason with government bodies, M procurement and cash-flow analysis.***CAs/ M Engineers with adequate experience at a com able level in large companies.

(7) Purchase Managers

Responsibilities include sourcing, cost-esti tion, vendor-development and co-ordina with Production and Marketing departme ***Engineers with strong techno-comme skills.

(8) Export Managers

Duties comprise of indentifying potential o seas markets, preparation of tender docume

sation of contracts, execution and other rt formalities.***Engineers /IIFT graduates comprehensive experience in a managerial city.

Project Managers

ifying new business opportunities, liason- vith statutory authorities, project develop- and execution work. ***Engineers with experience in Production/Projects Depart-, having strong financial acumen.

Computer Professionals–Systems/ lications Software

ds-on experience and in-depth knowledge in or more areas like RDBMS, 4GL, Novell, es, Oracle, DB3+/DB4, VMS, X-windows and CAM. ***Engineers/MCAs with 2-7 years erience.

(11) Management Trainees

Young and ambitious CAs/Engineers/MBAs from premier institutes with consistently outstanding scholastic achievements. Freshers or upto 2 years experience in a professionally managed Indian/Multinational company or premier Consultancy organisations can be considered.

Selected candidates shall undergo 6 months exhaustive training in the various functional departments and then be placed in their area of specialisation.

Exceptional candidates can look forward to sufficient opportunity for international exposure.

oss positions, S.No. 1-9, we also welcome applications from dynamic and ambitious candi- es with initiative and drive, for certain vacancies that also exist at junior management cadre.

. . . . . .

have identified the following Sunrise Industries as priority areas for our diversification grammes. :

- Travels & Tours
- Financial Activities
- Advertising & Sales Promotion
- Market Research & Public Relations

portunities to develop a career and to make a mark in the future strategic growth of the npany exist for deserving candidates, from Executive upto Senior Management cadre, in the ve areas of diversification. We would welcome applications from aspiring candidates.

. . . . . .

namic individuals can rest assured of excellent growth prospects with a remuneration kage to match the best in the industry. We offer a broad and challenging role and place strong phasis on training and personal development, to help each individual fulfil their potential. ove all, we guarantee **JOB SATISFICATION.**

ase apply in strict confidence within 10 days to :
e President — Human Resources

No. AA/329/CA/3, **Business India**, 59 Regal Building, Connaught Circus, New Delhi 110 001.

ing full details of qualifications, experience, present salary and expected salary, locational eferences along with a passport size photograph. Incomplete applications shall be rejected.

3. Candidates not contacted within 4 weeks of application may assume that their candidature not being considered.

KARNATAKA SOAPS & DETERGENTS LIMITED

BANGALORE - 560 055

(A Government of Karnataka Undertaking)

NEEDS

Today, Karnataka Soaps, the inheritor of the Royal Tradition of Excellence in manufacture of well known brands of quality soaps like MYSORE SANDAL SOAP, MYSORE SANDAL CLASSIC SOAP, MYSORE JASMINE SOAP, SANSAR SOAP, SURAKSHA SOAP etc. and Detergent Products like POINT POWDER, POINT CAKE, SANSAR POWDER, TOTAL BAR ETC., and FATTY ACIDS, STEARIC ACID, GLYCERINE, ACID SLURRY, SANDALWOOD OIL, AGARBATHIS etc., with reasonable record of growth is looking out for result oriented candidates. The Company has the following vacancies.

1. MANAGER (SALES) *1 POST (RESERVED FOR SC)*

Selected candidates will be responsible for formulating and implementing Sales Plans, Advertisement and Distribution net work and effectively manage field force to ensure required distribution levels. Should have had the experience of new product launches. He has to live in the field of Branch Managers, who are operating as Profit Centre Heads.

QUALIFICATION : A Degree from a recognised University. Candidates with post graduation in Management with specialisation in Marketing will be preferred.

AGE : Incumbent should be around 40 years.

EXPERIENCE : Incumbent should have a minimum of 10 years experience in the field of Sales Management, out of which, 5 years should be in the Middle Management. The post carries the pay scale of Rs. 3650-100-3950-120-4550 (Karnataka Govt. Pattern). The gross emoluments at the minimum of the scale is Rs. 5505/- and at the maximum of the scale is Rs. 6505/-.

2. BRANCH MANAGERS (MADRAS & DELHI) *(Reserved for SC-1 & ST-1)*

THE JOB : Will design and implement innovative product-market strategies in a Dynamic competitive environment to achieve target oriented performance levels in terms of Sales, Collections, Market Coverage, Market Shares and Inventory levels.

Should be able to lead and enthuse a team of ambitious young sales professionals by administering a high degree of market sensitivity, team building ability, and forceful personality. The Company is planning to introduce profit centre concept for the branches and Branch Managers will be responsible for maximising the profitability of the respective branches.

THE PERSON : Should be graduate and be of less than 40 years of age. MBA from reputed institutions (like IIM) is preferred. Should have a minimum 8 to 10 years experience in consumer products marketing and out of which at least 5 years should have been as incharge of the Region. Experience in selling Soaps and Detergents will be an additional advantage.

The Post carries a pay scale of Rs. 3170-90-3350-100-3950-120-4430. The gross emoluments at the minimum of the scale is Rs. 4816/- and at the maximum is Rs. 6369/-.

The D.A., H.R.A. & C.C.A. are as prevalent in the State Government (Government of Karnataka) from time to time. In addition, attractive perquisites such as L.T.C., P.F., Medical, Gratuity, Conveyance Allowance reimbursement etc., are admissible as per Company's Rules.

GENERAL CONDITIONS :

1. Age and experience are relaxable in deserving case at the discretion of the Management.
2. If no suitable SC/ST candidates are available, **the Post will be filled up from other categories as per Reservation Rules of the Government of Karnataka.**
3. The selected candidate should execute an agreement to serve the Company for a period of atleast 3 years.
4. Candidates employed in Government / Public Sector Enterprises should forward their applications through proper channel.
5. Preference will be given to Ex-Servicemen /Physically handicapped persons as per State Government Reservation Rules/ Directions in force.

Applications furnishing full details along with recent Pass-port size photograph may be sent within 15 days of this notification to:

THE COMPANY SECRETARY,
KARNATAKA SOAPS & DETERGENTS LIMITED,
POST BOX NO. 5531, BANGALORE - 560 055.

Photophone is a well-established, y-diversified group, currently in its 50th year usiness and at the forefront of professional onics, hi-tech communications, broadcasting the photographic industry.

n communications, Photophone is committed to vation. The Company has access to the advanced nology of world leaders like Anritsu Corporation, lgamated Wireless, Ampex, Arnold & Richter, o, Dictaphone, Ferranti, Fuji Photo Optical, Hughes ork Systems, Kabelmetal, Minolta, Perfectone, o, Steenbeck and Toshiba Corporation.

Photophone markets and services a wide range of isticated products manufactured by these renowned es. The products include test and measuring pment, data and satellite communication systems microwave components as well as professional dcasting, video, film and studio equipment.

The Company has an on-going programme expansion and constantly seeks new areas pportunity and growth.

tophone now has itious goals in keting:

ata Switching Systems RAX/MAX/TAX)

igital Microwave adio Equipment

HF Equipment, ibre Optic Microwave/ adio Communication quipment

Subscriber Equipment e.g. Paging Systems/Payphones

Professional Video Equipment e.g. Digital Video Effects

Satellite Communication Equipment

Data Communication Equipment e.g. Modems

To help provide an added thrust to this pansion programme, Photophone is looking for ofessionals for appointment at the company's rious offices in the country.

usiness Development Managers

mbay-Delhi-Bangalore

The candidate should be an Electronics mmunications Engineer, and preferably an MBA.

He should have around 10 years' industry perience, with outstanding technical skills and a oven track record in sales. Familiarity with the lecom sector in general, and experience in selling to e governmental segment would definitely be an ivantage.

As Business Development Manager, he will be expected to generate new business opportunities and projects for the company and be responsible for subsequent marketing.

The applicant should be articulate and possess good communication and inter-personal skills.

Sales Managers

Bombay-Delhi-Bangalore-Hyderabad

The applicant should be an Electronics Engineer.

Ideally he should have about 8-10 years' experience in the marketing of hi-tech electronic equipment, more specifically, components/telecommunication systems, electronic instruments, test and measuring equipment and Satcom equipment.

The candidate will be responsible for achieving, even exceeding, sales targets in his respective territory. He will also lead and motivate his team of engineers and assist them in identifying new markets and boosting overall sales.

COMMUNICATION TECHNOLOGY IS MAKING THE WORLD SMALLER. AND THE OPPORTUNITIES BIGGER FOR YOU.

Product Managers — Telecom/Video/Satcom

Bombay-Delhi-Bangalore-Hyderabad

The Company is looking for Engineers with post-graduate qualifications in marketing, and a minimum of 6-8 years' experience.

Experience in selling to technically-oriented professionals and technocrats in the public sector and institutions, is a must.

As Product Managers, they will be responsible for product sales, market research, market development, customer support and product documentation.

Sales/Customer Support Engineers — Professional Video Equipment

Bombay-Delhi-Bangalore

Applicants should have a degree in electronics with 3-5 years' experience in video engineering.

Prior experience with video equipment like cameras, Betacam/digital video effects is essential

The job will involve considerable interaction with professionals in advertising agencies and video production houses. A pleasant personality and good communication skills is therefore a must.

Deputy Managers/Assistant Managers/ Senior Sales Engineers

Bombay-Delhi-Bangalore-Hyderabad

The Company requires people at various levels in the organisation. The choice of candidate will depend entirely on the individual's talent and past performance.

Applicants must have a degree in electronics with 4-5 years' experience in selling to the institutional segment and governmental sector.

The overall responsibilities will include market development and meeting/exceeding sales targets in the territory concerned.

Customer Support Engineers/ Electronic Engineers/Field Engineers

Bombay-Delhi-Bangalore-Hyderabad-Trivandrum

Applicants should be engineers with 2-3 years' experience. They will be responsible for the maintenance, installation and commissioning of VHF equipment/digital multiplex equipment/ digital microwave equipment. Those with an aptitude for sales will be preferred.

The job involves considerable interaction with customers and the trade. Effective communication skills would therefore be an advantage. The candidate must be geared for challenge and hard work.

The compensation package for each of the above posts compares with the best in the industry and will of course be commensurate with qualifications and experience.

Please write, in full confidence, within 7 days to:

Moorad Fazalbhoy
Chairman and Managing Director

Photophone Ltd.

Post Box No. 8936, 7 Saki Vihar Road, Bombay 400 072.

Applications and the envelope must be superscribed with the post applied for and the preferred location

ECONOMIST / ECONOMIC CONSULTANT

(LBS/305)

An important competitive strategy for organisations would be to actively seek and ferret opportunities and convert them into product innovations. In this endeavour a leading Multi-national financial services organisation, needs a consultant to analyse macro-economic data, with a view to forecast macro-economic changes and highlight possible business opportunities. The job would involve constant research, analysis and interaction with business managers on the findings.

The person needs to be an economist, with a Doctorate in Economics, with atleast ten years of relevant experience in the corporate sector or in academics. In addition to the right educational background, the person needs to have good grip of banking/financial services; good people interface skills and with a capability to think divergently.

Compensation and remuneration would be attractive and commensurate with individual skills. The position is on a consultancy basis for atleast three years, with possible options for renewal.

Please apply in complete confidence superscribing the envelope with the above Ref. no. within 10 days of this advertisement to:

PERSONNEL SEARCH SERVICES

H. O: 71-A Mittal Chambers, Nariman Point, Bombay-400 021.
Tel: 2874164, 2027859.

Clamar

GENERAL MANAGER
FINANCE
(EASTERN INDIA)

This top management position is in the Head Office of a multinational Company which is one of the largest manufacturers and sellers of semi-durable consumer products with a turnover of about 600 crores.

This is a key position reporting to the Member of the Board and the incumbent will have responsibility for the total Financial and Accounting functions including formulation and implementation of corporate financial policies/strategic plans, mobilisation of finance, working capital/project cost management, cost and budgetary control, tax planning, management accounting and ability to deal with financial institutions and banks.

The candidate should be a Chartered Accountant in the age group of 40-45 years, with at least 15-20 years' experience out of which at least 5 years in a similar senior managerial position in any large reputed organisation.

The position carries attractive salary and perquisites and shall not be a constraint for the right candidate.

Please apply within 15 days with full particulars of age, education, past experience, current position and responsibility, emoluments drawn etc. to Box No. AA/329/LD/1, **Business India,** Krishna Villa, 100 Park Street, Calcutta 700 017

Raymond
Synthetics Limited
requires

MANAGER - FINANCE
&
MANAGER - ACCOUNTS

RAYMOND SYNTHETICS LIMITED, a Company promoted by The Raymond Woollen Mills Limited is setting up a Rs.183 crore Polyester Filament Yarn Plant at Naini near Allahabad in technical collaboration with Toray Industries, Inc. of Japan. The Plant is scheduled to start production by the second quarter of 1991. We require following Executives for posting at Allahabad.

MANAGER - FINANCE

The incumbent will be responsible for Financial & Management Accounting, Financial Planning & Control, Liaison with Banks and Institutions. He should be a Chartered Accountant with 8 to 10 years experience in Companies of repute with substantial exposure to financial function at a senior level for at least 5 years.

MANAGER - ACCOUNTS

The incumbent will be responsible for Accounts, Cash Flow Monitoring, Budgeting and Costing. He should be a Chartered Accountant with 8/10 years experience in handling accounts of large Companies with minimum 5 years experience at a senior level.

REMUNERATION:

Salary and perquisites will be comparable with the best in the Industry. For both the posts Company will provide free furnished accomodation and Company car.

Please apply with detailed bio-data within 10 days to:

General Manager (Finance) & Secretary
Raymond Synthetics Limited
Jekegram, THANE 400 606.

A company setting up a new project for ADVANCED FLUID HANDLING SYSTEMS IN COLLABORATION with a leading U.S. conglomerate (turnover : US $ 2 Billion) requires :

LOCATION : BARODA
SALARY : NEGOTIABLE/
INCENTIVE ORIENTED

A. PROJECT MANAGER

AGE : AROUND 35/40 years

QUALIFICATION/ EXPERIENCE :
BE(Mech) with 5 - 8 years experience in piping/fluid handling systems in Petrochem/Refinery/Fertiliser projects. Preferred prior experience in Contracts Engineering and having sound general management orientation.

JOB PROFILE : Covers-technology absorption, project management, vendor development, execution of contracts, general management.
Candidate should be hard working, dynamic, accomplished and result oriented, capable of assuming independent charge of the unit.

PROSPECTS : To assume the Chief Executive position in course of time.

B. ASST. PROJECT MANAGER

AGE : 28-32 years

JOB PROFILE/QUALIFICATION : Covers project management, contract pricing,vendor component sourcing, overall quality control supervision, and technical sales. , Candidate must possess marketing capabilities. Should be an Engg. graduate with relevant experience.
Candidate must also bear in mind requirement of long-term association, as close interface with collaborators' facilities will form integral part of the assignment.

Please reply to :

L. B. JHA & CO.,
Chartered Accountants,
8, Camac Street, 2nd/3rd Floor
Calcutta-700 017.

polymechplast MACHINES PVT. LTD

PROFESSIONAL MANAGERS

We are part of a well established and rapi growing group of Companies engaged manufacturing sophisticated plas processing machinery with present turn o of Rs. 4.5 Crores.

We have planned ambitious expansion achieve a four fold turnover by 1993. ensure successful implementation of the pl we are looking for additional superior tale at Baroda, unless mentioned otherwise.

EXPORT-IMPORT MANAGER

Graduates with 4/5 years (for Engineers only 1/2 years) experi in Export-Import formalities. Diploma in IIFT/MBA will b advantage.

SALES MANAGER

(2 Posts each at BARODA, BOMBAY, DELHI, MADI CALCUTTA)

Graduates with 4/5 years (for Engineers only 1/2 years) experi in Technical Sales / Sale of capital equipments. Exce communication and Negotiation skills is a must.

PROJECTS MANAGER (2 Posts)

C.A. with 3/5 years experience preferably with ICWA. MBA w give an edge over others. Experience in planning implementation of atleast Rs. 5/8 crores project is necessary.

SR. MANAGER (DESIGN)

BE/ME/M.Tech. (Mechanical) with minimum 5/7 years experien plastic processing M/c building industries like Injection & moulding M/c / capital equipment mfgr. Industries. Knowledg CAD, CAM would be preferred.

MANAGEMENT TRAINEES (9 Posts)

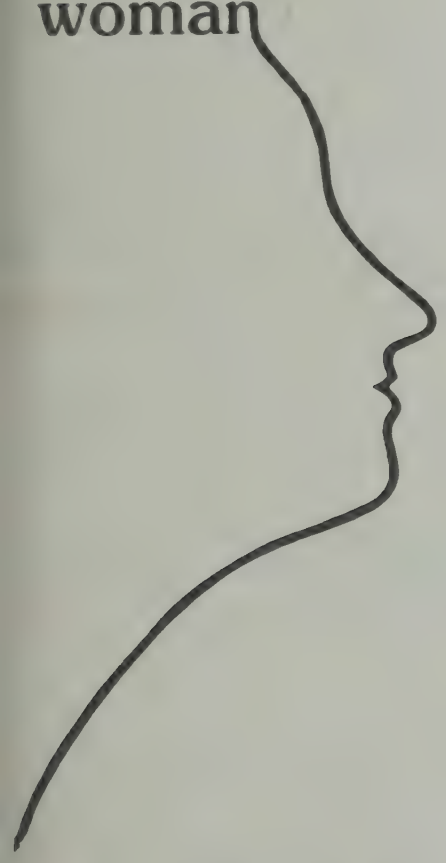
(MARKETING, FINANCE, PRODUCTION) B.E. with exce record and 1/2 years experience or MBA / Inter C.A. F graduates with bright career may also apply.

We offer excellent, professional, growth oriented and enric working environment. The remunerations package is designe attract the best talents to build-up a core team. Accommodat Special privileges may be considered in exceptional cases.

Please rush your full details, Curriculam vitaes / Bio-data, Co telephone numbers, Salary drawn etc. to:

The Manager (Personnel)
POLYMECHPLAST MACHINES PVT. LTD.,
772 TO 776, G.I.D.C. Estate, Makarpura, BARODA - 390 01
Telefax (0265) 43211 Telephone No. : 42038, 43211

We're looking for a man who can think like a woman



R & D Chief

Beauty Cosmetics Pvt Ltd., is a multi-crore company. In a short span of time, Chik has emerged as the second-largest selling shampoo in the South.

The Company is poised for a quantum leap with entries planned into new varieties of shampoos, hair oils, shikakai powder, talcum powder and more.

So, if you're professionally qualified with 10 to 15 years' experience in the R & D Department of a leading Personal Products Company, and you're drawn towards the alchemy of youth, please apply within 10 days to :

The Managing Director

Beauty Cosmetics Pvt. Ltd.,
11-C, Beach Road,
Cuddalore - 607 001.
Ph : 04142111-380

Beauty Cosmetics

WIMCO

Wimco Limited is a professionally managed; multi-locational, multi-product company and is a pioneer in safety matches, food processing and agro forestry. The annual turnover is around Rs. 120 crores. The Match Division, which has manufacturing units at Bareilly, Ambarnath (near Bombay), Madras, Calcutta, Dhubri (Assam), and Port Blair has the following requirements :

WORKS ACCOUNTANTS

Responsibilities : To assist the Regional Controller in different areas of Accounting/Cost controls/MIS etc.

Age : 25-30 years

Qualifications : CA/ICWA

Experience : 2-4 years post qualification experience. Exposure to Computerised Accounts essential.

Emoluments : Attractive compensation package including free furnished house and retirement benefits.

MANAGEMENT TRAINEES – FINANCE, PERSONNEL & ENGINEERING

Age : Up to 25 years

Qualfications :
Finance : CA/ICWA with knowledge of computers.
Personnel : MBA/MSW from a premier institution only.
Engineering : Degree/Diploma in Mechanical/Electrical Engineering.

Training Period : Selected candidates shall be provided structured on the job training for one year. On successful completion of training they will be absorbed in the Managerial Cadre of the Company carrying an attractive compensation package.

Emoluments : Attractive stipend with Bachelor Accommodation at factory locations only.

The Company offers excellent opportunities for career growth. Please apply in confidence with full details of qualification, age, experience, positions held and emoluments, within 15 days to :

General Manager (Personnel)
Wimco Limited
E-5, Local Shopping Centre,
Masjid Moth, New Delhi-110 048.

everest/d90/WL/303

EXECUTIVE SELECTION & RECRUITMENT • HRD SYSTEMS

COMPENSATION SURVEYS • HRD SYSTEMS • OD INTERVENTIONS

Our Client is a Leading Professionally Managed Public Limited Company with turnover exceeding **Rs.80 Crores** per annum (Part of a well known Business House in India whose turnover exceeds **Rs.300 Crores)**. To strengthen the Organisation structure, our Client is on the lookout for a highly matured & seasoned person to take over as

VICE PRESIDENT – FINANCE (MADRAS)

Rs. 2 Lakhs + Car + House + Perks

The prospective candidate in the age group of **48-52** should be a **Chartered/Cost Accountant** combined with **ACS** & **Law** qualification, with comprehensive thorough exposure of **20-25** years related experience in **finance activities** described below, out of which last **5-10** years should have been as head of Finance, not less than **GM (Finance),** in a large Business House.

Focus of Key result areas would be:

- Efficient Management of financial resources including ability to deal with financial institutions/Banks & other bodies.
- Expertise in working capital management, mobilisation of funds, project evaluation, taxation, compliance of **MRTP** and related statutory formalities.
- Formulation and implementation of corporate financial policies/strategic plans, **MIS** and exposure to computerised accounting environment.

Special Qualities expected are:

High level of maturity with strong dynamism, Clarity of vision, Ability to withstand pressure and conceptualise Long term & Short term plans, Controlling & Heading the Division effectively, interacting with **Key people/Owners** in an acceptable manner**.** Stability, Loyalty and Integrity are valued to a greater extent.

Selected Candidates will have ample opportunities for growth within the group. **Candidates Identity will be kept in strict confidence.**

Candidates matching the above requirements may send their detailed **RESUME** to **A. MATHRUBOOTHAM,** with contact telephone number, within **10** days to:

Personnel Selection Division

HUMAN RESOURCES CONSULTANCY GROUP

2, Velu Street, West Mambalam, Madras 600 033. Ph: 426269.

EXECUTIVE SELECTION & RECRUITMENT • HRD SYSTEMS

SENIOR EXECUTIVE
FIVE ☆ HOTEL

A group of young entrepreneurs including non-resident Indians developing a luxurious Hotel in Pun is on the lookout for a dynamic, versatile individual, who will be involved from the development stag (the construction work will start shortly) and ultimately, on successful commissioning of the proje will take over as **General Manager**.

The incumbent should be graduate/ postgraduate in Hotel Management from an accredite Institute. He should also have adequate experience of setting up, running and managing a Five st Hotel.He should be well read, knowledgeable, result oriented, innovative with drive and pleasin personality, endowed with effective communication skills. We are looking for a senior professiona who will eventually take complete responsibility of the total operations, inventory managemen material procurement, house maintenance, labour and government relations etc.

Compensation package will be commensurate with qualifications and experience but will not b a limiting factor.

This is a senior position and only candidates with proven experience should apply with complete C.V and passport size photograph to :

Box No. AA/329/HR/4, **Business India**, Wadia Building, 17/19 Dalal Street, Fort, Bombay 400 001.

Chambal Fertilisers and Chemicals Ltd.

(Promoted by: Zuari Agro Chemicals Ltd.,Goa)

Chambal Fertilisers & Chemicals Ltd. are setting up a Rs.764 crores gas based fertiliser complex at village-Gadepan, District-Kota (Rajasthan) for production of 1350 tons per day of Ammonia and 2250 tons per day of Urea, besides a captive gas based power plant and related offsite facilities. The project is in advanced stage of implementation and is likely to start production in a record period.

The Company has a number of challenging openings requiring a high degree of dynamism and ability to work under pressure with a team of highly qualified professionals in other functions. It presently requires the following competent executives for execution and operation of this project:

1. GENERAL MANAGER - WORKS

Incumbent will be responsible for plant operations, maintenance, quality controls, systems, economical utilisation of resources and optimum capacity utilisation. The ideal candidate would be an engineering graduate preferably with MBA degree in the age group of 45-50 with proven track record of managing a comparable hi-tech Fertiliser/Petrochemical/Chemical Complex.

2. MAINTENANCE MANAGER

Incumbent must have a degree in engineering preferably mechanical with a minimum experience of 20 years in maintenance of electrical/mechanical/instrument equipments in large fertiliser or chemical industries. The incumbent will head the maintenance departments and report to the General Manager-Works.

The remuneration package will be commensurate with background of the candidates and comparable with the best in the industry.

Interested candidates may apply in confidence within 10 days with their complete bio-data giving detailed information regarding their educational background, work experience, salary drawn and expected along with their contact phone nos. and a recent photograph, superscribing the envelope with post applied to:

The General Manager (HR),
Chambal Fertilisers & Chemicals Ltd.,
Devika Towers, 6, Nehru Place, New Delhi - 110 019.

ONE MILLION TONNE PROFESSIONALLY MANAGED CEMENT PLANT IN WESTERN INDIA REQUIRES:—

DY. GENERAL MANAGER (FINANCE): Applicants must be C.A./MBA with minimum 12 years experience in financial functions in a large manufacturing organisation.

Selected candidate will be responsible for handling independently financial accounting, Cost accounting, budgeting, M.I.S, liaison with financial institutions, Tax planning and all other related matters.

MANAGER (INSTRUMENTATION): Applicants should be B.E. (Instrumentation) with 8 to 10 years experience.

The selected candidate will be responsible for Maintenance and commissioning of test process and control instruments and electronic equipments.

Company offers attractive salary and perks comparable to best in the Industry. Persons fulfilling the above qualifications and experience should apply within 10 days to:

Box No. AA/329/AR/2, **Business India,** Wadia Building, 17/19 Dalal Street, Fort, Bombay 400 001.

HIND LAMPS LIMITED

require

FINANCE MANAGER-CUM-SECRETARY

at

SHIKOHABAD (near AGRA)

We are a progressive and professionally managed Company and pioneers in manufacturing Electric Bulbs & Tubes. Our turnover last year was over Rs.20 Crores. We have been growing continuously and we offer good & healthy working and living environment.

The incumbent should have thorough knowledge of and experience in financial management, costing and secretarial work. He will be responsible for these functions in totality including finalisation of accounts & balance-sheet. He will manage a team of people in the respective functional areas and will report to the General Manager.

He will be in the age group of 35-40 years with about 10 years total experience in the relevant functional areas and as Company Secretary. He must be C.A./ICWA and A.C.S.

The compensation package is attractive and will not be a constraint for the right candidate.

Please apply in confidence along with a recent photograph within 10 days to the General Manager, Hind Lamps Ltd., Shikohabad 205 141 (U.P.).

TRUMAC ENGINEERING COMPANY LIMITED

Group abd the Company : We belong to the **A.T.E. Enterprise Ltd.** group of company enjoying eventfu existence of 50 years and in the threshold of exceeding sales turnover of Rs. 100 crores, diversifying the manufacturing and marketing activities of quality products. Our company is a joint venture with M/s. Trutzschler of West Germany, engaged in manufacture of internationally reputed textile equipment. Our commitment to customers' satisfaction through higher quality products and services is reflected in our growth.

This is an invitation to result oriented, competent professionals to join us on the following senior positions :

1. WORKS MANAGER : Engineering graduate preferably with professional managerial qualifications in the age group of 40-45 years with a minimum of 5 years' experience at senior level in a medium sized engineering concern with abilities to manage effectively all functional aspects of our works in achieving results of.

2. MATERIALS MANAGER : Engineering graduate with professional qualifications in the area of Materials Management with specific experience of at least 5 years' of introducing and monitoring effective systems of inventory control. Ability of handling import formalities independently is essential. Age around 35 years.

Send your complete bio-data stating details of academic qualifications, specific areas of experience and achievements alongwith salary drawn and expected to -

Vice President (Operations),

TRUMAC ENGINEERING CO. LTD.

NIDC, NEAR LAMBHA VILLAGE,
POST : NAROL, AHMEDABAD-382 405.

SENIOR POSITION IN MARKETING

Ours is a leading professionally managed company belonging to a topmost industrial house of the country.

This is a key position reporting to the top executive of the unit. Incumbent will implement aggressive and innovative marketing strategy to ensure rapid penetration of product in various industries.

Incumbent should be a mechanical or chemical engineer preferably having with M.B.A. qualification from a reputed institute. Incumbent should have around years experience in marketing, preferably in Thermal Insulation products. However, experience in other Industrial marketing can also be considered.

This is a Challenging Assignment with excellent growth prospects.

Compensation package for the right candidate is not a limiting factor.

Please apply within 10 days in strict confidence giving full detail of age, qualification, experience and salary drawn to Post Box No. AA/329/LH/5, **Business India**, 59, Regal Building, Connaught Circus, New Delhi 110 001.

We have been retained by a leading multinational in packaged consumer goods, respected for its position among top 10 Indian companies, to assist in the selection of TOP MANAGEMENT PROFESSIONALS holding impeccable track records in MANUFACTURING and MARKETING. The selected individuals would be suitably designated keeping in mind their levels of seniority and responsibilities.

MANUFACTURING

The Company has two major manufacturing locations in Maharashtra and is poised for growth and innovation. The selected candidate should have the potential to oversee this entire function in two years' time from Bombay, as a part of the top management committee. He would, however, be expected to assume immediate overall responsibility based at an upcountry manufacturing facility located on the outskirts of a modern and fast developing industrial town.

Applicants should be qualified engineers from an institute of repute and possess around 18 years' sound managerial experience in process plants of professional organisations. They must demonstrate proven skills in the management, integration, and development of people, systems, work-teams and technology in a growth environment.

MARKETING

The Company has plans for extensive growth with new products and wider markets. This challenge will demand a high degree of marketing skills combined with good business sense. The selected candidates should have the potential to develop marketing strategies and lead a young, professional team for effective implementation of policies.

Applicants should be qualified marketing professionals from an institute of repute and possess around 18 years' experience, preferably in the consumer goods industry, with demonstrated capabilities in all aspects of brand and category management on a profit-centre approach. They must have excellent interpersonal skills and a sharp understanding of business strategy for effectiveness in the Indian market environment. This position is based at Bombay.

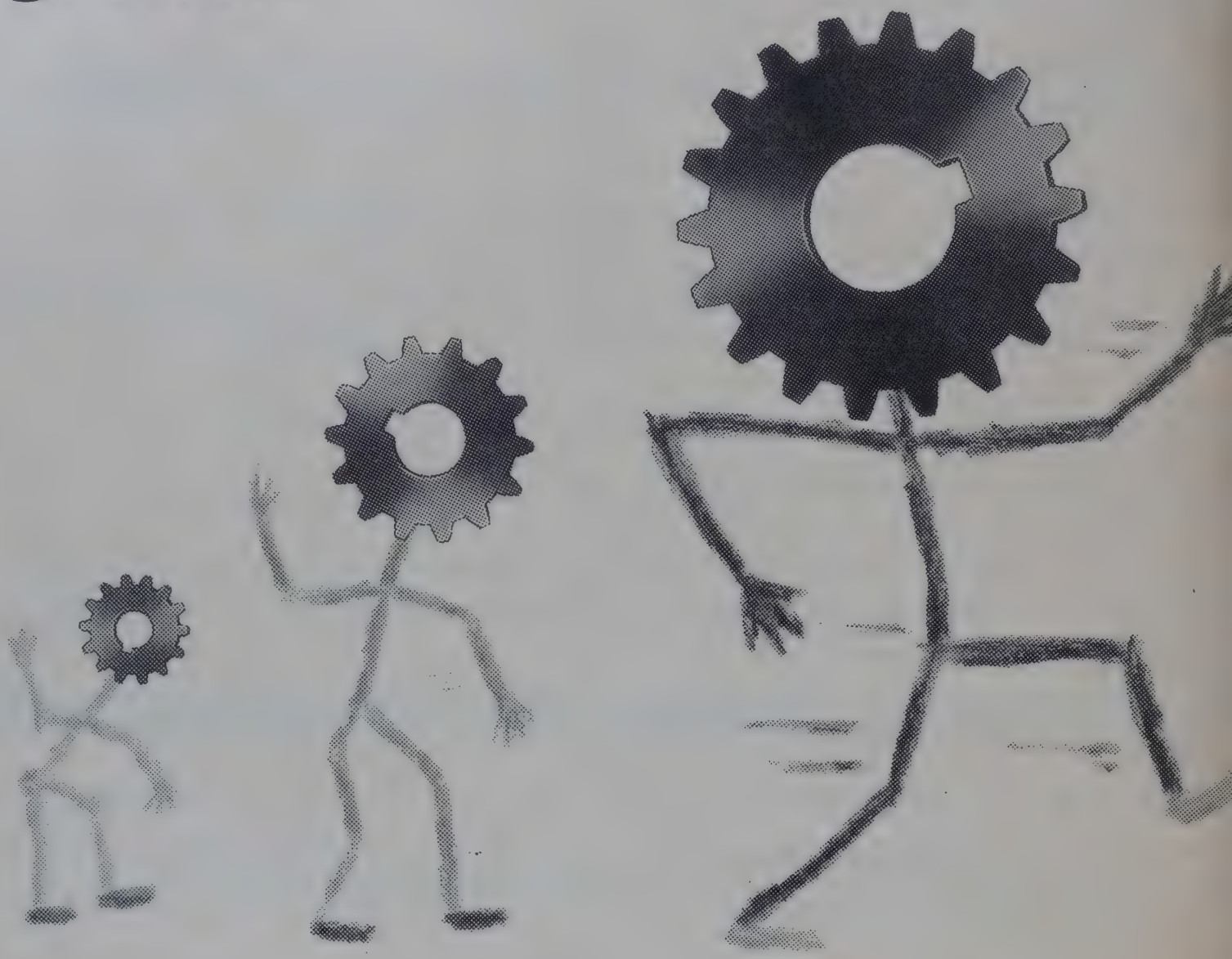
Compensation and benefits for both the above positions will match the best in the industry.

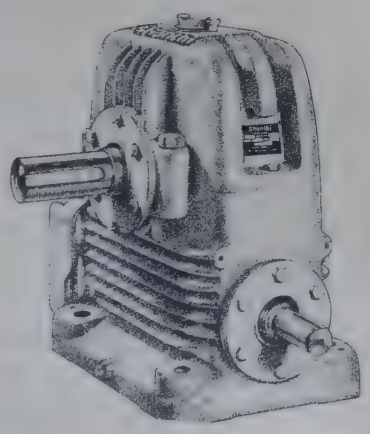
Your application will be treated in strict confidence.

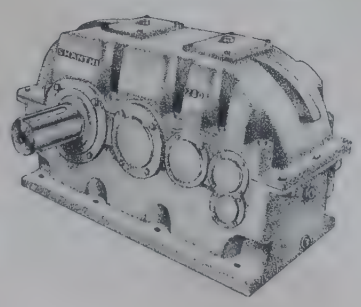
Please apply within the next 10 days to:

THE LEADING EDGE MANAGEMENT CONSULTANTS
27 Roshni, Charni Road, Bombay 400 004.

At Shanthi Gears customer confidence nurtures growth.







It is not surprising. Because customer confidence has resulted in increasing demand. And the only way to keep them confident is to grow. The result? Our turnover has grown six-fold in as many years; we are poised to double it.

No wonder that Shanthi Gears is the first choice of diverse industries like Textile, Cement, Rubber, Steel, Coal, Chemicals, Sugar, Paper, Pollution Control and Thermal Plants – among others.

Our Product range: Worm/Helical Gears and Gear Boxes, Geared Motors and Tailor-made Gear Boxes.

Shanthi Gears

Turning the Wheels of Industries

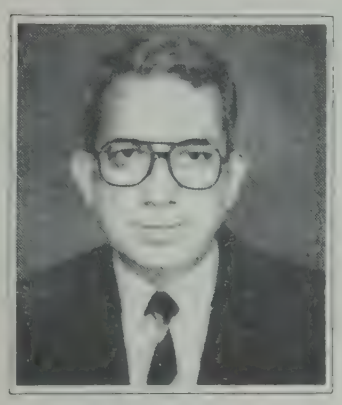
SHANTHI GEARS LIMITED
304-A, TRICHY ROAD, SINGANALLUR, COIMBATORE – 641 005.
TAMILNADU, INDIA. PHONE: 0422-74241
TELEX: 0855-375 GEAR IN, 0855-302 SALE IN
TELEFAX: 0422-74245 GRAMS: "SANTHIGEAR"

• **Bombay:** Ph: 6140168, 6123587 Tlx: 011 78157 SALE IN • **Bangalore:** Ph: 645018, 646332 Tlx: 0845 2061 SALE IN • **Madras:** Ph: 582444, 587234 Tlx: 041 7193 SALE IN • **Madurai:** Ph: 88564 • **Delhi:** Ph: 5729959
Business Representatives at: Calcutta, Ahmedabad, Pune, Nagpur, Varanasi, Hyderabad, Vellore, Salem, Trichy, Cochin.

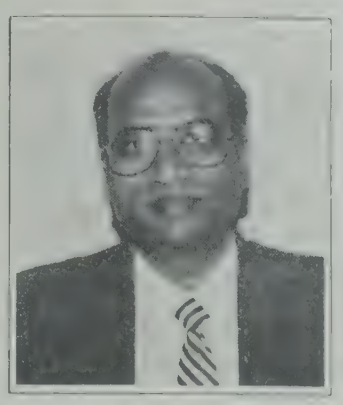
LINTAS M SG P1 2417R



ai has been
ted managing
r of Gannon
ley & Co. Ltd.



B.K. Pathak has taken over as managing director of Vegepro Foods & Feeds Ltd.



S. Samal has been appointed managing director of Northern Hatcheries Pvt. Ltd.



G.L. Jain has been appointed managing director of Venco Research and Breeding Farm Ltd.

Hardarshan Singh has taken over as general manager, inspection and finance, of the State Bank of Bikaner and Jaipur.

Ganapathi Subramanian has joined Apple Industries Ltd as general manager, south zone.

R. Narasimhan has taken over as chief general manager of the State Bank of India, Patna circle.

A.R. Hemchandra has been appointed vice-president of Indotronix Computers Ltd.

T.S.R. Prasadarao has been appointed director of the Indian Institute of Petroleum.

Gokul Mukherjee has joined the board of directors of Usha Ispat Ltd.

K.C. Kakkar has been appointed head, training resources unit, of the Power Engineers Training Society.

H.B. Desai has joined Tower Insurance & Reinsurance Services as general manager.

V.B. Parekh has taken over as chief general manager of the State Bank of Saurashtra

Jaykumar M. Pranjpay has taken over as chief general manager of Maharashtra Telecommunications Circle.

Sushil Saraf has been appointed director of Indo Count Industries Ltd.



neja has been
ed as vice-
nt, audit, of Bajaj
cals Ltd.



A.N. Poddar has been promoted as director, manufacturing, of Caprihans India Ltd.



S. Bagchi has been appointed executive director of Ahmednagar Forgings Ltd.



J. Vijay has been appointed director, technical, of Sterling Computers Ltd.

ASSOCIATIONS

esai has been
president of the
Lamp and
nent
acturers'
tion of India.

ngh has been re-
president of the
Relations Society
a. **Sharad**
lur and
eshavamurthy
een elected
en of its Bombay
imbatore
rs, respectively.

H.S. Kohli has been elected chairman of the northern region of the Fertiliser Association of India.

O.N. Sharma has been elected president of the Electronic Component Industries Association.

Rohit C. Mehta and **Mohanlal Piramal** have been elected chairman and deputy chairman, respectively, of the Indian Cotton Mills' Federation.

S.V. Varde has been elected president of the All India Food Preservers' Association.

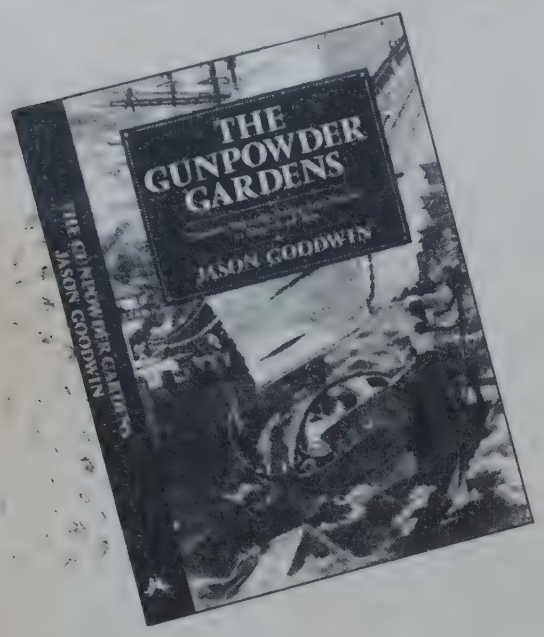
Hero J. Chuganee has been elected president of the Indian Chemical Manufacturers Association.

G.G. Muthanna and **K.A. Ayappa** have been elected president and vice-president, respectively, of the United Planters' Association of Southern India.

Karl Mehta and **Mukul Upadhyaya** have been elected president and vice-president, respectively, of the India chapter of the International Advertising Association.

Maganlal H. Doshi and **Bhogilal N. Kothary** have been elected chairman and vice-chairman, respectively, of the Silk & Art Silk Mills' Associaition.

Tea, history and jollity



THE GUNPOWDER GARDENS
Travels Through India and China in Search of Tea
By Jason Goodwin
Chatto & Windus, UK
Distributed by IBD, Bombay
pp.230, Rs.530

Tea, you will think, is a simple thing: you drink it and forget it. Only you would be forgetting a history of nearly two thousand years with it. That makes tea just about as old as Christ, and though no substitute for the Son of Man, as important. Wars have been fought over it — the Boston tea party, you will remember, led to the US's independence from Britain; treaties have been signed over it; ships have been built for it; love has been lost and found and lost again while drinking it. Jason Goodwin's *The Gunpowder Gardens* is a cheerful reminder of the possibility that the tea you are about to sip is perhaps the most eventful drink humans have chanced upon.

'Worm of chaos'

According to Chinese legend, however, there is nothing human about tea. After the death and defeat of the 'Worm of Chaos', *cha* was revealed to the divine emperor Shen Ning, and ever since it has been tea time. But that is legend. If you would rather keep the worm out of the picture, then tea was an accidental discovery of the ancients and it was popular by 3 AD, at least in the southwestern Chinese province of Szechwan.

Godwin's *Gunpowder* (the name comes from a brand of tea grown in China) traces the major places tea has travelled since. This includes vast areas of China, India — Calcutta, Darjeeling and the Nilgiris — and post-imperial London, a city which has so far managed to drink tea without growing it for over two centuries. Without London, however, the history of tea may have been very different.

Goodwin goes about writing this history (more a traveler's tale than history, really) with casual care and affectionate jollity. He has, as Lear would phrase it, cause: his grandmothers spent a good part of their lives in China and India. When they returned to England finally, they brought back with them '*memsahib* memories' as well as the air of the empire. The author, brought up amidst such nostalgic surroundings, was also inspired by them. He even developed, when young, a sailor-persona, by the name Captain Hawkeye. Later in his life he reconciled himself to his more mundane Christian name but retains enough interest in the captain to set sail on long voyages, in search of the tea trail.

His journey takes him through the now irretrievable European cities of the China coast, where "wash girls once bawled for custom" as huge, expectant English ships

The British interest in growing tea in India was not born of any love for this country, of course. It was an economic and gastronomic compulsion to find an alternative to Chinese tea as the East India Company monopoly on the China trade came to an end in 1832

weighed anchor and idled for tea to come in chests after chests. Goodwin's tea talk is at times technical, but never devoid of interest. What gives his narrative the twang is his eye for local detail and for that odd character, which make all the difference. He also relives the past astonishingly well. This is a wash girl talking to a ship captain a hundred and fifty years back: "Ah, you missee chiefee maytee, how you dooa? I saavez you long tim when you catchee Whampoa last tim. You saavez my?"

In China, Goodwin comes across old colonial villas and crumbling factori the coast. Once they housed ric traders and processed green and b respectively. He also realises that no way of categorising tea as th over 8,000 brands of them.

That confounding profligacy spi to the way tea is graded too. For any able Indian, tea is of two grades: and light. Not for the proper te There is an exhaustive list of through which the tea could be standard, fully standard, stand good, on good, good leaf, good, ful good up, good to superior, fully su superior up, superior to fine, on fi fine up, fine to finest, finest to choice, strict superior, choicest an Fancy is the grade of the tea you ma drink because its price too is, well

Institutional plant

In India, tea was stumbled upon bert Bruce, who was a Catholic in a to being a major. In the 1820s he upcountry Assam, close to the B border, "when he thought what h was a tea tree". Its seeds were late ted in Assam. The tea however bec institutional plant when George secretary of tea committee set up Bentick, governor general of India, from China "with three loads of te

The British interest in growing India was not born of any love f country, of course. It was an econor gastronomic compulsion to find a native to Chinese tea as the Eas Company monopoly on the Chin came to an end in 1832. "There possibility that the Chinese would closing Canton, jeopardising the su an article which had already bec dispensable at home."

At home or abroad, Goodwin's meant for anyone who is interes knowing his tea. He sets out to pur intricacies, as the blurb puts it, teenth century tea imperialism. does it well. The sentences are sho and ironically intelligent. The scho that has gone into the book is no depressing kind. What is there se unravel the mysteries of the tea a trade. As interesting as the tea he the mountains of Fugian and Da are the characters Goodwin comes in his travels. He reproduces the the amusing liveliness of a Paul T That is not a mean achievement fo year-old.

■ C.P. SURE

ne resourceful manager



Singh, *49, is senior vice-president, an Rayon Ltd*

year, when P.N. Singh became dent of the Bombay Management ciation, the largest local associa- of managers in the country, he he was the first "villager" to be ed to that hallowed post. Next fort- t, when 300 national and interna- l management experts gather in bay under the aegis of the Federa- of Asian Institutes of Management nni Associations for a conference Emerging Challenges For Asian agers', Singh will probably be the villager to have organised this pre- ous annual meet.

senior vice-president at Indian on, Singh is one of the country's known human resource develop- t (HRD) managers and author of e best-selling books and over 500 rs on the subject. He was born in apra, a village in Bihar. All his y education, school and college — in Patna and the Dhanbad School ines where he acquired a degree in oleum engineering — were in an osphere dominated by Hindi.

l said. With such a background, his unciation of English was a major dicap that he has tried to correct all life. "Fifteen years ago, students hed at me when I addressed them," laims, "but last fortnight 650 com- y secretaries heard me with rapt ntion when I spoke at their annual vention in Bombay. That was a t feeling."

riginally trained to be a petroleum engineer, Singh began his professional life with Indian Oil in 1963. He first developed an interest for HRD while doing a stint as a training officer in the company in the early seventies. And in 1975, he went to Manila for an MBA at the Asian Institute of Management. This was followed with a doctorate from Bombay's Bajaj Institute of Management.

Singh's first job as HRD manager was at Voltas in the early eighties, where he was recruited as part of R.C. Sarin's (the then MD) effort to restructure the lumbering giant. "I revitalised their HRD department," he says about his seven years at Voltas, "I recruited over 700 managers and made sure the company was never short of talent."

The fact that he was the first Indian authorised instructor of Blake and Mouton's internationally renowned Grid Organisational Development Programme for managers enhanced his popularity at Voltas. In addition, seven Bombay management colleges benefited from his lectures.

His shift to Aditya Birla's Indian Rayon, an entirely family managed organisation where HRD was still relatively unknown, in early 1988 was to him a totally new experience. He sees his mission as a way to "blend professional management and Indian family management style and create a culture of excellence".

Focus on marketing. Most of Singh's efforts at Indian Rayon today concentrate on building a strong marketing team for its fast-growing cement division. "Marketing was not something you paid attention to when you sold cement in the old days," he says, "but now there is no way you can survive without a good marketing team. In the last year alone I have recruited 30 MBAs, probably the first time a Birla company has recruited so many management graduates in one batch."

Despite his success, he wishes to quit the corporate sector at the first available opportunity. "My dream is to start a series of self-development centres all over the country. They would aim to build self-confidence in young men with backgrounds similar to mine and help them meet the challenges of a changing society."

■ N. RADHAKRISHNAN

FRONTRUNNERS



Vishnu Deuskar, 37, who started out as a trainee, is now senior manager, Investment Banking at Grindlays. He has a master's from the Delhi School of Economics and an MBA in finance from the University of Minnesota, US. This is his second stint at the bank. In 1981, he quit Grindlays to join the Bank of Credit & Commerce International in Nigeria and later moved to Abu Dhabi. In 1988, when Grindlays in India made him another offer, he decided to return.

"A challenge was emerging. The market in India was developing and many new financial instruments were being introduced. Of course, information, which is still a weak point here, matters most when one is handling a Rs.1, 000-crore portfolio," he says. So Deuskar always keeps an ear close to the ground for information.

— A.K.



Today **Shivaji Dam**, 32, is caught in the "vicious circle of growth" at the highflying Kotak Mahindra Finance Ltd, Bombay, and hardly finds the time to hike the way he did when in college.

After graduating in commerce, cost accountancy and company secretaryship, he joined Bayer (India) Ltd in 1982 as a management trainee. He moved after a year to Nelco and left two years later to join Kotak Mahindra, which had just been set up at the time. "You are emotionally attached to a company that is growing," he says, "and you grow with it." He handles activities ranging from funding to marketing its financial products. Dam's aim is to make KMFL a "super financial market" which can handle all a client's financial needs.

— A.K.

How to give your employees the Red Label treatment

Over 50% of organisations that buy tea in bulk from their local suppliers are dissatisfied with the quality of their product. You don't have to be part of this 50%.

You can now give the same joy to your employees that thousands of people all over India wake up to.

Brooke Bond's Red Label. And it is not just popular at homes. A large number of organisations are already serving Red Label to their employees.



Choose from over ten varieties: Straight spices include Chilli Turmeric, Jeera. Blended spices Powder, Garam Masala, Meat Mas Masala, Rasam Powder, Sambh and Pav Bhaji Masala. Whole spi Coriander, Mustard, Fennel, Ajw Cloves, Cinnamon and Cardamo

By dealing with Brooke Bond's Institutional Business Service you get four benefits. You get direct supplies, a wide range of quality products, competitive prices and free door delivery.

Besides this you'll get many more advantages.



A stimulating range of teas

You can choose from eight economy brands. Leaf teas include Taj Mahal Tea Bags, Special, Taj Mahal, Red Label and Gold Label. Among dust teas you have 3 Roses, Super Dust and A1.

For your executives there's Taj Mahal Tea Bags or Gold Label – a 100% Darjeeling leaf blend, with the Tea Board seal of approval.

Your tea can come in 21 kg bulk packs specially designed for industrial canteens. These packs are durable and retain the freshness of tea for more than a month.



A perky range of coffees

On the other hand, Bru is ideal for large organisations because of its strength and economy. It's one of the most preferred brands because of its cuppage. Rich Cafè is preferred at five star hotels.

In all, you have five blends of instant and filter coffees to choose from: Bru Instant, Rich Cafè, Family Brand Pure Coffee, New Green Label Deluxe and Cafè.



A variety of spices

Sona Spices stand up to even the toughest customer – the housewife. That's why these spices are such a success today. The same quality comes to you. Sealed and factory-fresh.



A quality that's gu through direct sup

With supplies stra Brooke Bond depots, you have there being any tampering or a You are also spared the headache with several suppliers. Both thes admit, are major benefits for conscious organisation like your



Free door delivery

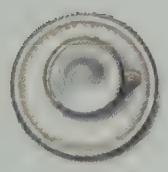
You don't have to b picking up supplies. We will d your door-step. Brooke Bond's stock points and area sales offices delivery on time.



Quality, range delivery at compet

You'll only get

Bond. From any other supplier you quality, range and free door delivery ne same cost. This value-for-money only from Brooke Bond. It's ile to do business with Brooke nstitutional Business Service.



Try what 800 companies are already benefitting from

Just fill in the coupon and mail it to us. And you'll immediately receive the information you want. And if you wish our area sales management team will meet and discuss your needs in detail.

Just mail the coupon to:
Institutional Business Service,
Brooke Bond India Ltd.,
P.O. Box No. 5193,
Bangalore-560 001.
Tel: 84-2520 (10 lines)
8112-2520 (10 lines – STD Whitefield)
Telex: 0845-8506/8518 KORA IN



* This service is intended for institutions and not for individuals, dealers or those interested in exports.

(Please tick relevant box)

I think my employees deserve the Red Label treatment.

Please ask your representative to meet me on date: _____ time: _____.

In the meantime, here's some information on our organisation. It will help your representative in making the best recommendations possible.







My organisation is interested in:	☐ tea	☐ coffee	☐ spices
Our requirements are:	tea	coffee	spices
Less than 25 kg per week	☐	☐	☐
25 kg to 75 kg per week	☐	☐	☐
More than 75 kg per week	☐	☐	☐

We are likely to finalise our requirements for tea, coffee and spices within the next:

☐ 15 days ☐ 30 days ☐ 60 days

I need more information on all your brands of: ☐ tea ☐ coffee ☐ spices

Name: _____

Designation: _____

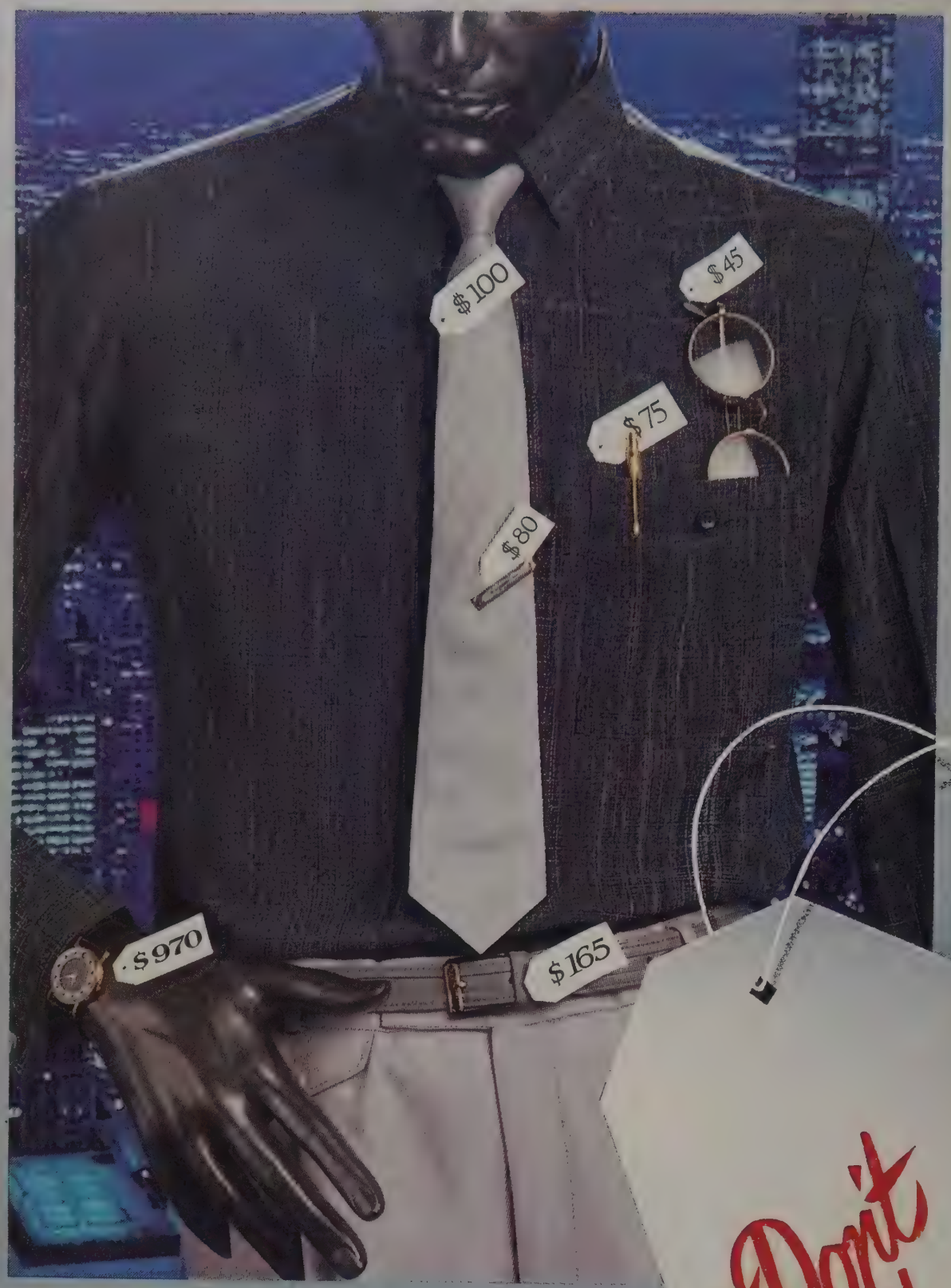
Company name: _____

Company address: _____

_____ Telephone Nos.: _____

Brooke Bond India Limited Institutional Business Service

Brooke Bond products. Packed with care. Packed for consistent quality.



BLUE C
Expens
looking
but
highly
afforda

Don't pay in Dollars

BLUE CHI
SHIRTS-TROUSE

A qualit
product
from
VIP

RSEAS BUSINESS TRIPS

ying fast and furious

on, New York, Frankfurt, Tokyo, bi, Singapore, Dubai, Moscow. These are no longer just leisure destina- for corporate high fliers. Business is ending not only its big bosses like a Birla, Rahul Bajaj and Ratan Tata, so senior and middle management tives jetting around the globe very ntly. Says Ravi Subramaniam, man- director of Silverline Electronics Travelling to New York for a couple of as become as routine as commuting hi for the day."

ether they are for two days or two , an average six to seven overseas a year are becoming common for managers, for numerous and valid s. Foreign collaborations and tech- ie-ups is one. Training programmes, tancy work, conferences and trade re some others. Dilip Piramal, Blow- chairman, never misses the plas- ade fair in Germany. "It keeps me date with the latest innovations in siness," he says.



anan: can't compromise on image

Atul Tandan, managing director of rrison, and R.K. Mehra, partner in nd Company, the Calcutta-based elling and publishing firm, visit at least twice a year. Tandan goes cuss annual business plans with the company and take decisions on up- g products". Mehra's mission is to ooks or negotiate their publication

orts are another major reason why ives like V. Balaraman, Hindustan Lever's business manager for exports, head westwards. Balaraman, though, primarily goes to East bloc countries; sometimes even Libya and Afghanistan. Recently, he was in Tomsk, Siberia, a region closed to foreigners for years, negotiating a barter deal — petrochemicals in exchange for Lever's consumer products.

Many executives admit that a lot of work can be done on the phone or fax. But to tackle the details of collaborations or export orders, says B.K. Modi, chairman of the Delhi-based Modi Xerox, "Face-to-face discussions with four to five people from different disciplines are necessary." While agreeing with this, K.S. Narayanan, general manager for sales at the Madras-based Wheels India, adds, "Pricing, scheduling and quality need sorting out personally." Also, "Being in a very competitive field like computers," says Bikram Dasgupta, managing director of Pertech Computers, "I have to go repeatedly to push my products."

Shrikant Bhojkar, vice- president for international services at the Bangalore-based UB group, says "While officials from the different group companies follow up the details, I first go to initiate the discussions on export orders and then again to sign the agreement."

Business travel is no longer as tedious as it once was. Categories like Executive or Business Class which offer special facilities like separate check-in counters at airports, more leg room in the aircraft and wider seats help in minimising the discomforts of long haul flights. Passport, visa and immigration formalities, as well as jet lag, though, are unavoidable. "But," says Tandan, "a frequent traveller gets used to these things. He knows what to expect and how to handle it."

The veteran also knows how to manage his time well. With much of the spade work done before leaving and better airline schedules, says Bhojkar, he doesn't need to spend more than a week anywhere. "My appointments are planned in such a way," says Modi, "that I don't waste any time."

Fortunately, unlike tourists who get a paltry $500 allowance once every two years, executives do not face a foreign exchange crunch. They can live comfortably. Depending on the countries being visited, the RBI sanctions allowances ranging from $215 to $300 per diem in the senior scale and $185 to $240 in the general scale. "One can't complain about the foreign exchange," says Narayanan, who usually stays in 3-star hotels. Bhojkar, however, stays only at 5-star hotels. "We can't compromise the image of our group," he says.



Tandan: getting used to it

In Russia, however, the daily allowance of about $170 is inadequate, says Balaraman, as a good hotel room costs $200 per day! Besides, the entertainment allowance also falls short. While in the western countries, visiting executives are often wined and dined by their hosts, in the socialist bloc the officials expect to be entertained by the visitor. The lack of credit cards facilities, the standard mode of payment abroad, is also keenly felt by executives.

How do executives spend their free time? "There's hardly any!" exclaims Balaraman. Even when there is some, few go sightseeing extensively. As Tandan says, "Europe is picturesque. But after the first two trips the scenery is lost on you, unless you're visiting a new place." However, if time and funds do permit, art galleries, museums, musicals and theatre are favourites.

Overseas trips are also one of the major perks of work, as companies foot the Rs.1 lakh-plus bill per trip. Besides, even though for many a travel-wise or travel-weary outwardly mobile executive, the glamour may have worn off, the pleasure nevertheless remains. "Otherwise," says Bhojkar, "I wouldn't be flying abroad for the last 20 years."

■ INDIRA KHANNA with bureau reports

S T Y L E





Each of our hotels reflects a style and elegance found in none other.

From check-in to check-out.

Our style of impeccable service. Delightful interiors. Choicest cuisine. And more.

With business and leisure facilities to match your style.

And backed by warm hospitality in every sphere.

In fact, no matter in which of our hotels you decide to stay, you'll find it a perfect complement to your style. In every way.

HOTEL SIDDHARTH

HOTEL VASANT CONTINENTAL

The friendliest hotels is Delhi.

You're among friends

JAYPEE HOTELS





Hotel Siddharth: 3,Rajendra Place, New Delhi. Tel: 5712501. **Hotel Vasant Continental:** Vasant Vihar, New Delhi. Tel: 678800.
Bombay: Tel: 233606. **Bangalore:** Tel: 566330, 561926. **Madras:** Tel: 868409.

Karishma/J



om S.P. College in Pune to a artner in Coopers & nd, New York, has been a haul for **Shaku Atre**. ped with a master's de- statistics from Pune Uni- and a doctorate degree in d mathematics from Ger- s Hiedelberg university, ned IBM Information Sys- n 1967.

IBM, Atre taught at the gious Systems Research ute, where she was the only n the faculty. A colleague es Martin, the renowned ase guru, she developed nplemented database sys- or major corporations. Af- years, Atre left IBM to set r own consultancy busi- which later became the uter wing of Coopers & nd, a major consultancy the US. Since then, she ritten three books on ase technology which are ard textbooks for major sities in India and abroad. e, whose talents could been of immense help to s booming computer in- , has unfortunately no of returning home. Her however, recently tied up ombay's Intec Systems Pvt supplying software to the mpany.

ny given moment, one can sure, millions across the y are listening to one or ther **Lata Mangeshkar**. Her achievements have recognised by the *Guinness Book of World Records*. Even at 60-plus, she is still in demand as a playback singer. Is there anything left for her to do? Well, if you are Lata Mangeshkar, you turn businesswoman and invest in a export-oriented unit to manufacture marble tiles.

The unit, set up in Madras, is going to cost Rs.14 crore. While Mangeshkar has ploughed in an undisclosed sum as seed money,



the project will also be funded by financial institutions and merchant banks. The tiles are slated to enter the market in February 1991, almost certainly, one expects, on a high note.

Last year, his dealership firm in Pune sold Escorts earth-moving equipment and Enfield motorcycles worth Rs.2.5 crore. But **Dileep Pandit** had a much tougher time selling an idea close to his heart: the snake as man's friend. Since 1982, Pandit has been working with this "misunderstood species", and has caught hundreds of kraits, cobras, vipers and other kinds of snakes. "People call me when they spot a snake in their neighbourhood," he says. "I rush to the spot, catch and release it in the nearby woods."

Pandit is on the advisory board of the Katraj Snake Park in Pune and is busy setting up the Indian Herpetological Society, which will study reptilian habits in detail. "Our aim is to destroy religious myths about snakes," says Pandit. "We want to educate people about the important role snakes play in preserving the environment."



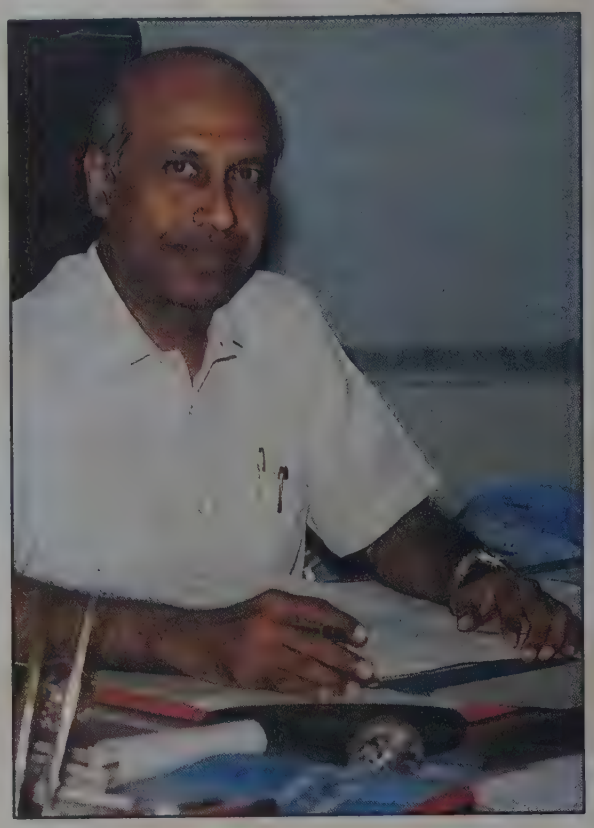
If you phone Patel International, the leather export firm in south Bombay, and your call is put on hold, instead of the usual tinny electronic jingle a rich baritone belts out a vibrant Portuguese song. The singer: **Felix Flor**, export manager of Patel International, a part of the Patel Roadways group. The track is from one of his two albums released to date; a third is expected soon from a major company.

"Music is in my blood," says Flor, who has been singing since he was a teenager in Goa 20 years ago; he even had a band of his own once. Over the years, he has worked with many music groups and has performed in Bombay, Goa and Dubai as well as on TV.

But Flor has no intention of chucking up his job to concentrate on music. "Western music may be popular now but it still has a limited market. Only a few like Remo have really made it big," he says.



"Committed to industrial development"



M.M. Rajendran, *chief secretary to the government of Tamil Nadu, is also chairman of the fertiliser giant SPIC and Poompuhar Shipping Corporation. This IAS officer had been closely associated with the industrial development of Tamil Nadu in various capacities prior to his assignment with UNICEF in 1981. Since his return in 1988, Rajendran has been taking a keen interest in reviving industry in the state. In an interview with Sushila Ravindranath of* Business India *he comments on the improved scenario in the state's industrial sector*

Tamil Nadu has slipped from its premier position in industrial development in the last two decades. To improve conditions, chief minister M. Karunanidhi recently announced several attractive incentives. Do you feel there is a change in direction?
During President's rule, immediately preceding the election of a popular government, some steps were taken to hasten the pace of industry in the state. But there were doubts about the elected government's sincerity in following these steps through. However, the present government has shown, by continuing those measures and further improving on them, that it is fully committed to industrial development.

One immediate result has been the revival of many old cases which had been put aside. The prestigious joint sector Sakthi Soya, Tamil Nadu's first soya project has moved fast. The Rs.31.5-crore appliances project of Indo Matsushita, which has not taken shape yet, will be completed by this year end. Ashok Leyland is also planning a big investment of Rs.85 crore in Hosur.

Have big business houses based outside the state shown any interest in Tamil Nadu?
Companies like Dunlop and Lipton have set up projects in the state. Our new paper project has attracted attention from the Birlas and ITC. Also, the JK group is a co-promoter in the joint-sector penicillin project in Cuddalore.

Tamil Nadu's joint-sector policy has attracted a lot of attention. How does the state government view its role?
The state government has clear views. According to the joint sector norms, the state government-promoted Tamil Nadu Industrial Development Corporation (TIDCO) will invest 26 per cent in a project and the private entrepreneur, 25 per cent. The private promoters will manage the company while the state government retains the chairmanship. The state government has, however, no desire to interfere in the day-to-day management.

Your appointment as chairman, and the appointment of a special finance director, in the joint-sector fertiliser company SPIC is interpreted as interfering with the management of the company. Your comments.
SPIC is different from other joint-sector companies. The co-promoter in this case has only about 10 per cent shareholding in the company. So, as the major shareholder, we have to look after its interests. If they had held 25 per cent we would not have asked for more than chairmanship.

According to joint sector norms, the state promotion agency is expected to disinvest as soon as a company finds its feet and use the funds for promoting new projects. But TIDCO has been slow in disinvesting.
TIDCO will disinvest when it is appropriate for it to do so. The option to purchase the shares i the co-promoter and vice-versa already decided to disinvest in Alkalies and Chemicals (TAC); is under consideration. This po be followed for all the compani exception will be SPIC and Tita Watches. Being flagship compa also have a promotional role to

The chief minister promises comfortable power position a industrial peace to those who in Tamil Nadu. Is not the pow situation in the state precari
We are quite aware of the probl which are likely to occur in the sector. We are taking all steps t that there is no gap between su demand. The north Madras the power project, which was delay years due to legal tangles, was through. It will produce 610 M power in the first phase. The ul plan is to push power producti 2,000 MW. We are also planning third-phase expansion of Neyv Corporation.

What is the scenario on the i relations front?
We have no problems in the sta major lock out or strike. Beside state is committed to maintain industrial peace.

Have you shortlisted any thru for industrial growth, especia Tamil Nadu has always had a of raw materials?
Now that the naphtha-based a project has been cleared, a maj growth would be in the petroch industry. This will provide 2,00 directly and 20,000 to 25,000 j downstream projects. We will a laying emphasis on agro-based tech industries, inorganic and chemicals, basic drugs and oth resource based units. As we ha in automobile and engineering industries, we shall be promoti of these units in this sector. M emphasis is being given to elec industries than in the past.

What is your view of entrepre in the state?
Our entrepreneurs are very conservative. They have to be g of push and encouragement.

Chopard

GENÈVE



only by Chopard – »HAPPY DIAMONDS®«
a unique concept becomes a classic

available at leading jewellers worldwide

address inquiries to
Chopard & Cie S.A., 8, Rue de Veyrot, 1217 Meyrin-Genève

"RISE, SIR LEGEND"

MRF CONGRATULATES
SIR RICHARD HADLEE
ON HIS KNIGHTHOOD



And on Indian roads,
MRF Legend continues to be India's favourite car tyre.

Whichever field they're on, legends are recognised for their outstanding performances. On June 16th, 1990 Richard Hadlee became the only cricketer to be knighted while still on the field. Meanwhile, back in India, MRF Legend keeps proving itself on the toughest roads all over the country. Which just goes to show that once you have a legend, you have a winner.

LINTAS M MRF FHP 216 2 418